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EDITORIAL

As We See It

THE YEAR AHEAD

In its review of the outlook for the year 1958, appearing in this column on Jan. 16 last year, the **Chronicle** remarked that it was "troubled less about whether recovery will take place than about whether it may be induced by forces essentially artificial in nature which may well leave us vulnerable to far worse difficulties than any that we have experienced to date." Increased government expenditures and swollen deficits, particularly if they are financed by sale of obligations to the commercial banks, were cited as factors all too likely to have untoward results in the long run. It is now well known that recovery did take place more or less as expected by nearly all prognosticators at the beginning of last year. It is now also clear that reckless government expenditures and a huge deficit have left their impress upon the economy of the country.

The vital question now is not whether business will continue to improve in the months ahead, but whether the fiscal looseness of 1958 and 1959 will place their ugly imprints upon the year ahead; whether our failure to insist or even permit the recession to do its normal work of eliminating maladjustments will linger to plague us this year; and whether the Congress, many members of which seem to believe that they have received a popular mandate to out-New Deal the New Deal, will make matters still worse by policies and programs which can not fail to do infinite damage at one time or another, whatever may be the results within the relatively short period of a year. The frequently repeated screams about the

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What Business Must Do to Curb Inflation, Instability

By CARROL M. SHANKS*
President, The Prudential Insurance Co. of America

Insurance head sees economy moving forward, but not without major economic problems requiring solution, and suggests what businessmen should do to help curb inflation and lessen undesirable swings in output. Mr. Shanks submits government's inability requires business to take direct action; rejects the argument we cannot achieve *both* high employment and stable prices; and cites as an example of hardening of business arteries in the insurance industry the resistance to Variable Annuities. Proposes non-emotional approach to capital outlays, cooperation in restrictive credit policies; and increased efficiency, productivity, volume operations and competition in labor and in business.

We are starting a year which promises to be a prosperous one. Most economists and businessmen seem agreed that output, employment, and incomes will continue to move ahead in 1959.

Carrol M. Shanks

There is, however, fairly wide disagreement on just how much progress will be achieved. Some observers look for a growth rate considerably below normal. For example, seventy economists who met recently at the University of Michigan estimate that Gross National Product will reach only $459 billion by the last quarter of 1959, and the median estimate of over 200 economists polled by the F. W. Dodge Corporation produces a $460 billion estimate for the last quarter. These forecasts imply a very slow growth of just over 1% during the year. Our own economists at Prudential are considerably more optimistic, and I believe their expec-

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*An address by Mr. Shanks made at the "Crystal Ball Luncheon", Atlanta, Ga., Jan. 14, 1959.

Business and Finance Speaks After Turn of the Year

As is our usual custom, THE CHRONICLE features in today's ANNUAL REVIEW AND OUTLOOK ISSUE the individual opinions of government officials and of the country's leading industrialists, bankers and financiers as to the probable trend of business in the current year. These forecasts, written especially for THE CHRONICLE, provide the reader with up-to-the-minute official views as to the indicated course of business in all industries. The statements begin herewith—

HON. STYLES BRIDGES

U. S. Senator from New Hampshire

The key legislative problem of the 86th Session of the U. S. Congress will be that of handling matters dealing with the national economy. On how well the problem is resolved depends the future not only of this generation but of generations to come in this country. The situation could not be stated any more clearly and dramatically than in the words of President Eisenhower that "there can be no real national security without fiscal stability."

Sen. Styles Bridges

We have already noted the President's particular and thoroughly justified concern with the problem of fiscal stability when he recently came out with his proposal for a balanced budget even before the traditional budget message which usually comes shortly after the convening of the new Congress. Despite the basic good health of the national economy with predictions of a record-breaking gross national product and an increase of individual productively after several static years, there are increasing signs of impending economic illness.

Inflation continues not only to plague us but the cumulative effects of the creeping inflation which we have experienced are beginning to be left. In contemplation of that situation, the inflationary pressure of Government

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In the SECOND SECTION of today's ANNUAL REVIEW AND OUTLOOK ISSUE we show monthly high and low prices of every stock and bond issue in which dealings occurred on the New York Stock Exchange during 1958.

The Security I Like Best

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded, as an offer to sell the securities discussed.)

This Week's Forum Participants and Their Selections

PETER B. B. ANDREWS
Economic Consultant
Fairlawn, N. J.

National Rubber Machinery

For outstanding capital gains potential, likely to out-perform the market as a whole in 1959, I select National Rubber Machinery stock, listed on the American Stock Exchange. This stock now is selling around 23, but it sold at 34½ in 1956, and I look for its return to this price of 34½ and higher, for the following reasons: The rubber industry was very hard hit in the latter part of 1957 and the first half of 1958, with the consequence that spending for capital equipment by the rubber industry dropped sharply. This caused operations of National Rubber Machinery to drop to deficit levels, with resultant dividend omission. Now, the cycle of the rubber industry is very strongly upward, and National Rubber Machinery's earnings upswing is likely to be just as strongly intensified on the upside as it was on the downside when the rubber industry was hit by recession.

Peter B. B. Andrews

Every authority on the rubber industry is agreed that the rubber industry faces an excellent year in 1959. For example, E. J. Thomas, Chairman of the Board of Goodyear Tire & Rubber Co., says that the rubber industry will have its highest volume of sales in history in 1959, exceeding even the year 1956, when National Rubber Machinery stock reached 34½. Moreover, Mr. Thomas, the chief executive officer of Goodyear, says that Goodyear will increase its capital spending for plant and machinery to $70,000,000 this year, up a minimum of $10,000,000 over 1958. National Rubber Machinery, the chief equipment supplier to the industry, will be a major beneficiary. Other leading authorities of top rubber companies make similar bright forecasts for the rubber industry in 1959. They include Harvey and Raymond Firestone, Chairman and President, respectively, of the Firestone Tire & Rubber Co., H. E. Humphreys, Chairman of U. S. Rubber; J. W. Keener, President of B. F. Goodrich, as well as Ross Ormsby, President of the Rubber Manufacturers Associaiton. Such renowned authorities as Prentice-Hall and McGraw-Hill also see big gains for the industry in 1959. McGraw-Hill, leading analyst of industry equipment expenditures, estimates a 20% jump in spending for new plant and equipment by the rubber industry in 1959.

With all the bad news out and much good news on the National Rubber Machinery Co. likely to break in 1959, the stock's price should soon assume an ascending curve, likely to rise steadily throughout 1959. The company is in very strong financial condition, with current assets of $5,650,000 more than eight times current liabilities of $660,000. Cash and equivalent alone are more than twice all current liabilities. Financial strength indicates a quick resumption of dividends as earnings improve. The company's earning power under good rubber industry conditions is shown in the fact that per-share earnings were $3.53 in 1956, $3.25 in 1955, and $2.70 in 1954. In 1957 they were $1.01 and in 1958 there was a deficit, but the current year should see a rapid regaining of high earning power.

National Rubber Machinery Co. is a generous dividend payer under favorable earnings conditions, and a restoration of dividends to the $1.50 annual rate of 1956, will be within easy reach on the prospective improvement of earnings. Capitalization is simple, with long-term funded debt at $2,280,000 and common stock at only 205,000 shares. Slightly over 50% of the common stock is owned by American Seal-Kap Corp., which now is helping effectively to diversify and enlarge company activities. The American Seal-Kap Corp. is an aggressive, efficient holding company, which paid considerably more than present prices for National Rubber Machinery stock in obtaining control—and even if it did not intend staying in National Rubber Machinery, it would be likely to build National Rubber Machinery's operations in every successful way possible to make the stock worth more than the present price around 23. If American Seal-Kap should want to sell its holdings, it would aim to strongly justify a considerably higher price for National Rubber Machinery stock than now current. One of the interesting corporate developments being worked for National Rubber Machinery —in keeping with the space-age trend of the times—is a machine for the extrusion of solid propellants for missile fuel. A commercial and household rubber garbage-disposal unit has attained exceptional success already, ranking as the best in the field. And, a new process for the bagless curing of tires is expected to increase the National Rubber Machinery Company's equipment orders materially.

National Rubber Machinery, listed on the American Stock Exchange, is not an active stock, but it has a considerable floating supply, and it can be bought in adequate amounts for those interested in a capital-gains cyclical situation with definitely outstanding potentials for 1959.

AUGUST HUBER
Partner, Spencer Trask & Co., New York City
Members N. Y. Stock Exchange

Allied Chemical Corp.

This article briefly touches the highlights on Allied Chemical Corporation. Currently selling around 94, these quality shares are still well below the 1956 high price of 129¾. Earnings have trended downward from a peak of $5.44 per share in 1955 to an estimated $3.35 per share in 1958. I believe the company's basic earning power has been increased by a combination of new plant facilities, new processes and new products. Also, the indications point toward improved operating efficiency in the years ahead. I am impressed with the basic managerial changes and the progressive policies adopted.

August Huber

The present view of future earnings envisions a favorable growth pattern which runs about like this—for 1959 between $4.25 and $4.50 per share against about $3.35 in 1958; for 1960 between $5.50-$6; by 1963 around $7 per share and a later potential of about $9 per share.

The present regular dividend rate is $3 per share.

Considering (1) the shares at 94 are well below the earlier peak of about 130; (2) promising growth pattern of earning power and; (3) new capable and aggressive management, I regard Allied Chemical as one of the more attractive quality-type growth stocks in the current market.

NSTA Notes

INVESTMENT TRADERS ASSOCIATION OF PHILADELPHIA

The Investment Trader's Association of Philadelphia will hold their 35th Annual Mid-Winter Dinner on Friday, Feb. 27, 1959, in the Grand Ballroom of the Bellevue-Stratford Hotel.

BALTIMORE SECURITY TRADERS ASSOCIATION

The 24th Annual Mid-Winter Dinner of the Baltimore Security Traders Association will be held at the Southern Hotel on Friday, Jan. 16, at 7:30 p.m.

Dinner will be preceded by a reception beginning at 6:30 p.m. Tariff for guests is $14. Dinner tickets may be obtained from David Pindell, Lockwood, Peck & Co. Room Reservations should be made with Jack Wallace, Baker, Watts & Co. Harry J. Niemeyer, Robert Garrett & Sons, is Chairman of the Entertainment Committee.

SECURITY TRADERS ASSOCIATION OF NEW YORK

Members of the Security Traders Association of New York are urging their members to make a contribution to the Wall Street Industries Blood Bank. The Red Cross Blood Mobile will be at the Sub Treasury Building Jan. 19 and Jan. 20.

Members of the STANY Blood Bank Committee are Andrew Blank, P. F. Fox & Co., Inc.; Joseph Conlon, Grace Canadian Securities; Joseph Dorsey, Bache & Co.; Charles O'Brien Murphy III, Pearson, Murphy & Co.; and John J. Meyers, Jr., Gordon Graves & Co.

The Business Environment Ahead

By ROY L. REIERSON*

Vice-President and Chief Economist
Bankers Trust Company, New York City

In arriving at a tentative forecast of $470 billion GNP for 1959, Dr. Reierson directs attention to certain imponderables which could create troublesome problems for business and the economy as a whole. The banker-economist perceives future disturbances arising from deep-seated and insistent inflationary tendencies; finds it paradoxical that a step-up in business activity could spread inflation and thwart economic growth; and confesses difficulty in trying to reconcile the thesis that inflationary pressures stimulate economic growth with past half-decade's apparent below average economic growth rate. Believes management faces prospect of serious labor troubles and demands; and notes worsening U. S. world market competitive position affecting dollar's acceptability and Treasury financing problems.

The American economy enters 1959 in the midst of a vigorous recovery. Industrial production has been advancing month after month since last April, and while some slowing down in this rate of climb is to be expected, there have been no important signs of faltering so far.

Roy L. Reierson

The present high state of business confidence derives much of its strength from the good account given by the economy in coping with the recent recession. While the business setback of 1957-58 was the severest in 20 years, it was also one of the briefest on record. Although the heavy goods industries, which had been especially hard hit last year, are still operating significantly below their previous peaks, total industrial activity by the end of 1958 had regained practically all of its previous decline. In fact, the gross national product in the final quarter of 1958 was estimated at an annual rate in excess of $450 billion, which in current dollars is nearly 2% above the pre-recession peak, but this increase from the former high mark reflects the advance in prices rather than physical volume; "real" output probably did not exceed the all-time record.

In 1959, however, new peaks are in sight for most of the important indicators of economic progress—industrial activity, construction, and retail trade as well as personal income and business profits. Moreover, despite some very real problems that confront the business community, prevailing opinion is that the basic direction of the economy will remain upward in the year ahead.

The Stalwart Supports

Underlying the general expectation of a higher level of economic activity in 1959 is the stalwart support provided by two major sectors of the economy—consumer spending on nondurable goods and services, and outlays of state and local governments — which have been fairly immune to business recessions in the postwar years. Since these two categories of demand account for about two-thirds of the total output of our economy, their persistently rising trend furnishes a strong underpinning to business when more volatile forces falter, as they did in 1958, and reinforces the outlook when the upward movement is resumed.

Consumer spending on nondurable goods and services, taken together, did not sag even when personal income and employment were declining during the recession. Moreover, by the final quarter of 1958, such expenditures were setting new records — some 5% ahead of their pre-recession levels. Population growth, advancing employment, and rising incomes make it reasonable to expect these outlays to continue to climb fairly consistently throughout the year ahead.

Outlays by state and local governments for highways, schools, and other community facilities likewise are in a steadily mounting trend. Contrary to some expectations, this trend was not slowed by the impact of the recession upon tax receipts; if anything, the pace has quickened with the Federal highway program and increasing budgets for other public works. Admittedly, these budgets are not immune to rising construction costs, financing problems, and the like, and as such expenditures reach ever greater amounts, their sensitivity to general economic conditions may increase. For the immediate future, however, the direction seems firmly upward; together with the prospective growth in the consumer sector, this provides a solid if unspectacular push toward higher economic activity in the year ahead.

The Volatile Demands

In principle, whether the upward push imparted to the economy from these consumer and public works sectors is enhanced, moderated or conceivably even reversed depends upon the aggregate behavior of the more dynamic but also more unpredictable one-third of our national output that is determined by private investment decisions, consumer buying of durable goods, Federal spend-

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*An address by Dr. Reierson before the Chamber of Commerce of Greater Philadelphia, Philadelphia, Pa., Jan. 7, 1959.

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Articles and News Page

BUSINESS AND FINANCE SPEAKS AFTER THE TURN OF THE YEAR

Starting on the cover page of today's ANNUAL REVIEW AND OUTLOOK ISSUE, we present the opinions of leaders in Government, Industry and Finance regarding the outlook for business in 1959. [Commentaries which could not be accommodated in today's issue will be given in the issue of Jan. 22.—Editor.]

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In the SECOND SECTION of today's issue will be found our usual tabular record of the high and low prices, by months, of every stock and bond issue in which dealings occurred on the New York Stock Exchange during 1958.

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Observations . . .

By A. WILFRED MAY

MERELY A FRAME OF REFERENCE

"In the years of speculative calm, 1923, 1924 and 1925, the body of legitimate and semi-legitimate speculators, bankers, and economists had reasonably sane ideas about speculative principles and the status of common stocks. Scarcely four years later, however, these same individuals had become so hypnotized and anaesthetized by the Speculative Show that they worshipped all kinds of glamorous beliefs and fantastic excuses for the market's excesses; theories which they would have laughed at four years previously.


A. Wilfred May

"Here are a few examples of some of these romantic 'New Era' beliefs, their economic justification indefensible, but embraced by bankers, economists, and 'legitimate' speculators, as well as by gamblers; and for that reason all the more dangerous as effective stimuli to the speculative orgy.

That New Era's Credo

"It was believed that:

"(1) Common stocks of well-managed corporations were always a buy at any price.

"(2) All that a buyer had to do to achieve success was to buy and hold.

"(3) Common stocks were not speculative at the time—that borrowing money at 12% to buy stocks yielding 2% was *investing*.

"(4) Certain groups of stocks had a tremendous 'scarcity value.' (Ex., it was imagined that it would soon become impossible to buy utility stocks, which were already selling at 100 times earnings, at any price.)

"(5) To evaluate stock prices, all one had to do was to multiply actual or prospective 1929 earnings by some arbitrary figure ranging anywhere from eight to 40, depending on the industry.

"(6) Because the United States is a marvelous country, leading common stocks should always be bought for the 'long pull,' and that borrowing money for the purpose was no different than borrowing from the commercial bank in the conduct of a business—that wholesale financing through common stock offerings and tremendous brokers' loans was a permanent and sound economic institution.

"(7) A property's value was at once enhanced by multiplying the paper share certificates which represented it—through split-ups, stock dividends, etc.

"(8) A very valuable privilege accrued to a stockholder when through the issuing of 'rights' he was permitted to pay into his corporation additional funds for more stock at a price less than the prevailing market for the former lesser number of shares outstanding.

"(9) An important insurance of the safety of the market price level was the investment trust which was expected to stabilize the market and prevent any important deflation.

"(10) Large margin requirements would prevent any wide or disorderly decline.

"How the above gospel could have been widely accepted may be difficult to comprehend now; just as the history of the South Sea Companies, the Mississippi Bubble, Holland's Tulip Boom, the California Gold Rush, and our recent (and now again) Florida Land Boom now seem to us the picture of lunacy. They are all quite easily understandable to the student of the *psychology* of speculation, not of economics."

Source and Purpose of the Quotation

The above depiction of the New Era thinking of those Boiling 'Twenties is quoted from the writer's thesis for the Master of Arts degree at Columbia in 1932 analyzing the preceding epochal stock market boom and crash. Our present purpose is not to imply the necessary recurrence of a market collapse—or even the timing of a major reaction. Nor is it intended to draw exact parallels between the specific elements ruling then and now (the circumstances attending a boom or a bust never are exactly repeated. For example, it is realized that the credit situation today is markedly different).

But there are some striking analogies, as with the cited split and fund proclivities, and the ancillary Florida land booms—in Miami in the middle and late 1920s, and now again flamboyantly in the Sarasota region. And there is the recurrent tendency to over-sanctify the functions of the stock market, per the following excerpt from an address delivered May 24, 1929, by the then missioning N. Y. Stock Exchange President, E. H. H. Simmons (as also quoted in our thesis): "However much one may decry speculative enthusiasm, there is no doubt that it is intimately related to the steady and constructive building up of American business and the maintenance of high American standards of living."

For Our Present Orientation

Our purpose is rather to provide a partial inventory of specific similarities and dissimilarities, in lieu of prevalent vague reminiscences of "that 1929 Crash"—for use as a frame of reference to appraise present investor attitudes and policies. This should be additionally constructive in highlighting some of the current foibles to be avoided.

In any event, we remind the present doom-prophesying Cassandras that the Dow Jones Average which collapsed from its 1929 peak of 386 to its July 1932 low of 41, is now, only 30 years later, 52% above that "crazy" boom top. Realization of this should made present-day bulls under the age of 20 feel particularly secure.

* * *

MORE ON THAT TREK TO WALL STREET —From Rags to Riches

An individual who has moved from the relief rolls to the stock market, reversing the more traditional course, including his own after 1929*, provides us with some interesting conclusions about portfolio management. In the press stir over the indictment of Mr. Harry Schweitzer, a 75-year old retired hospital orderly, his alleged market "parlaying" of $9,000 of welfare payments into $21,000 in the past seven years is termed "financial wizardry" and "shrewed manipulation." However, if the gentleman had stuck to his hospital activities and eliminated all in-and-out coups for a continued holding of stocks in the Dow Jones Average, his capital would have grown by exactly the same amount. (a performance conforming to much of the funds' performance record.)

The results of this wizard's longer-term holding are likewise interesting. Analysis of his principal portfolio, which we have been privileged to make, reveals that its 12 "imaginative" issues, including such loss-producing "finds" as Sapphire Petroleum and Micromatic Hone, have over the past four years shown an aggregate appreciation of 48% over cost. Had he simply bought the Dow Jones issues on his portfolio's mean acquisition date, he would have gained 50%.

So in the case of all categories of investor, we see the difficulty in bettering long-term holding of the name issues.

*Will Mr. Schweitzer be making another return trip to the relief rolls?

The State of Trade and Industry

Steel Production
Electric Output
Carloadings
Retail Trade
Commodity Price Index
Food Price Index
Auto Production
Business Failures

Despite the fact that the evidence to date is necessarily fragmentary, there would appear to be almost complete agreement among the nation's leading bankers and businessmen that the outlook for the nation's economy in the present year is exceedingly bright. This viewpoint is amply documented in the outlook statements appearing in this, our Annual Review issue. These commentaries, especially written for the "Chronicle," are preponderantly optimistic as to the probable course of trade and industry throughout the year. Particularly significant is the confidence voiced by spokesmen for the steel, automobile and other key industries, whose output was sharply lowered in the 1957-1958 recession.

There are quite a few straws in the wind to indicate that the steel market is tightening up, according to the current issue of "Iron Age," which lists some of them as follows:

(1) A Midwestern mill already is doling out plates on an allocation basis. Another plate mill in the same area is pushing the limit of practical capacity and is getting ready to set new order-to-delivery schedules. One buyer who tried to place January tonnage three weeks ago had his order bounced into February and March. The strength of the market is spreading to Pittsburgh and the East.

(2) Some mills are warning their customers that hand-to-mouth buying will be risky business from here on out. They are advising them to order farther ahead or run the chance of being caught short on critical products. Some steel users already have had some narrow escapes.

(3) Hot-rolled bar demand is picking up. So is the market for oil country drill pipe and casing, and linepipe. Demand for sheet and strip, galvanized sheets, and terne plate is showing steady improvement. Tinplate shipments will more than double in January over a relatively slow December.

(4) Current market strength is based on moderate inventory building and higher output levels in users' plants. Yet to come is the expected avalanche of orders as a hedge against a possible steel strike at mid-year.

Steel service centers are gradually building their inventories, but not excessively. Some have boosted cold-rolled sheet orders for the first quarter as much as 15% above fourth quarter levels.

More mills are now talking in terms of near-capacity operations at some time in the first half of the year. But it's doubtful there will be an overnight spurt in operations. The buildup of steel production will be gradual. The reason for this is that the mills hesitate to start up additional furnaces until they have orders in hand. They're going to be sure

they need the added output before committing themselves to it.

Despite the gathering strength of the steel market, quite a few steel users are holding back in the placing of orders above their normal requirements. One steel sales Vice-President commented: "They've been in the driver's seat so long they find it difficult to adjust."

Part of the strength of the plate market is due to a buildup in linepipe orders. Some of this large-diameter pipe is fabricated from plate. In the Midwest, linepipe bookings are still gaining. Tank fabricators also are revising their plate orders upward.

The American Iron and Steel Institute announced that the operating rate of steel companies will average *132.2% of steel capacity for the week beginning Jan. 12, 1959, equivalent to 2,123,000 tons of ingot and steel castings (based on average weekly production for 1947-49) as compared with an actual rate of *129.8% of capacity, and 2,085,000 tons a week ago.

Output for the week beginning Jan. 12, 1959 is equal to about 75% of the utilization of the Jan. 1, 1959 annual capacity of 147,633,670 net tons compared with actual production of 73.6% the week before, based on utilization of Jan. 1, 1958 annual capacity of 140,742,570 net tons.

For the like week a month ago the rate was 125.2% and production 2,011,000 tons. A year ago the actual weekly production was placed at 1,538,000 tons or 95.7%.

*Index of production is based on average weekly production for 1947-1949.

Automobile production for the week ended Jan. 10 is estimated at 133,390 units the sharp rise over the earlier week's output totaling 97,663 cars largely reflecting the fact that in the latter period the work-week was limited to 3½ days owing to the New Year holiday.

This week's total will top the 120,184 cars assembled in the comparable week of 1958, when auto makers were starting to cut back output owing to declining sales. However, it is considerably below the 147,357 units turned out in the week ended Dec. 5, 1958, last year's top production week. Most producers are working five days this week.

All Chrysler divisions and the five separate General Motors Corp. divisions are on five-day schedules in the current week. Three of G.M.'s seven joint Buick-Oldsmobile-Pontiac assembly plants are working six days. At Ford Motor Co., four of the 13 Ford division assembly units plan to work tomorrow, as does the Wixom, Mich., Lincoln-Thunderbird plant. Other plants are on a five-day schedule.

American Motors Corp. will operate on a six-day basis during the rest of January, as against the previous five-day schedule.

Studebaker-Packard Corp., where sales are tripling last year's deliveries, is maintaining a 53-hour, six-days a week production schedule.

Based on current activity, automobile production for the month of January is likely to reach 560,000 cars. This would be a drop from the 593,778 cars built in December, the best month in nearly two years, but well ahead of the 489,357 units assembled in January, 1958.

Electric Output Resumes Upward Trend

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Jan. 10, 1959 was estimated at 13,554,000,000 kwh., according to the Edison Electric Institute. Output the past week exceeded the level of the preceding week.

For the week ended Jan. 10, 1959 output increased by 11,190,000 kwh. above that of the previous week, and increased by 1,048,000,000 kwh. above that of the comparable 1958 week.

Business Failures Continue Holiday Decline

Commercial and industrial failures continued down to 169 in the week ended Jan. 1 from 185 in the preceding week, reported Dun & Bradstreet, Inc. At the lowest level since the week ended Dec. 26, 1957, casualties were considerably less numerous than in the comparable week of last year when 203 occurred. About one-half as many businesses succumbed as in the similar week of prewar 1939 when the total was 312.

Failures involving liabilities of $5,000 or more dipped to 145 from 153 in the previous week and 173 a year ago. A decrease also prevailed among small casualties, those with liabilities under $5,000, which fell to 24 from 32 a week ago and 30 last year. Thirteen of the failing businesses had liabilities in excess of $100,000 as against 21 in the preceding week.

Manufacturing casualties declined slightly during the week to 28 from 33, retailing to 76 from 87, and construction to 24 from 28. In contrast, the toll among wholesalers held steady at 21 while the commercial service toll edged to 20 from 16. Mortality in these two groups, wholesaling and service, exceeded their 1958 levels, but dips from last year prevailed in other lines.

Most of the week's downturn centered in the Middle Atlantic States where failures dropped to 37 from 66. Mild dips occurred in four other regions including the Pacific States, off to 47 from 57. On the other hand, four regions reported increases from the preceding week, with the East North Central total rising to 34 from 29 and the South Atlantic to 15 from 4 Geographic trends from the comparable week of 1958 were mixed; five regions reported fewer casualties while four regions had the same or heavier tolls.

Wholesale Food Price Index Down Noticeably

There was a noticeable decline in the week ended Jan. 6 in the Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc. It fell to $6.24 from $6.35 a week earlier,, a decline of 1.7%. The index was 2.7% below the $6.41 of the similar date a year ago.

Commodities quoted higher were flour, wheat, corn, rye oats, lard, milk, coffee, tea, peanuts, and eggs. Lower in price were barley, hams, bellies, butter, cheese, sugar, cottonseed oil, cocoa, potatoes, and hogs.

The Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Wholesale Commodity Price Index At 1958 Low

The Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., fell to 273.61 on Dec. 30, the lowest level for 1958, but rose to 274.46 on Jan. 5. The index a week earlier was 274.50 and on the correspond-

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East Versus West— The Economic Conflict

By JOHN J. POWERS, JR.*
President and Chairman of the Board
Of Pfizer International and
Senior Vice-President, Chas. Pfizer & Co., Inc.

A leading international corporation official focuses attention upon the economic implication of the East-West conflict. Based on recent trip to a number of Communist countries, and reports of Russian penetration, Mr. Powers finds no other conclusion than that *the* Third World War has already started—utilizing a broad range of economic tactics in place of bullets, bombs and battleships. He forebodingly observes we are making the same tragic mistake as when we ignored the clear warning of Hitler; presents a clear program of non-subsidy help to American industry to operate abroad and counter Soviet offensive; and speaks of activities that could lead to a *modus vivendi*.

Every day we read in the headines bits and pieces of information about the growing economic conflict between the East and West. We hear about it on radio and television. But what does it mean? How should we evaluate it? Let me refer to a few such recent headlines.

John J. Powers, Jr.

"Finnish Cabinet Forced to Resign As Russians Stall Trade Pact"

Why? A critical 30% of Finland's exports go to Russia. Russia has seen to this. Now Russia wants a Communist-dominated cabinet even though the Communists are in the minority in Finland. This direct intervention may be the beginning of the end for Finland—yet, not a gun has been fired. Trade was the weapon.

"Russians Trade Machinery and Equipment for Brazilian Coffee"

The Russians do not care whether they ever get coffee. They have never been coffee drinkers. The Russian samovar urns out tea. While we talk about what to do to help this great neighbor of ours to the south, temporarily in the throes of economic difficulties, quietly and effectively the Russians begin to move in.

Elsewhere in Latin America, the same pattern is developing. Earlier this year, while Chile was in dire economic straits because of a bad copper market at that time, while we re-imposed an old import duty at the very time that the President of Chile was preparing to visit the United States, Russia was offering to buy Chilean copper. In Argentina, the Russians move in on the most critical point of the economy, oil — offering petroleum products in exchange for Argentine wool.

"Russia Buys Commodity Surpluses"

This might be a condensation of many headlines that have appeared during the past year. The recent recession in world commodity markets was seized upon by the Soviet bloc as an opening wedge in making new friends in the one-commodity nations of the world, while traditional customers, such as the United States, Britain and France, were working off inventories. Russia linked itself to the economies of a number of countries with unprecedented purchases of wheat from Canada, sugar from Cuba, cotton from Egypt, wool from Australia, New Zealand and Uruguay, butter from Denmark, fish from Iceland, citrus fruit from Lebanon—commodities upon which these nations largely depend for survival. Sale of these commodities for rubles leaves these countries with a currency that can be spent only for Soviet goods.

"Russia Cuts World Metal Prices"

When it suits their political purposes, the Soviet bloc countries become commodity suppliers. Earlier this year, they took a substantial part of the British aluminum market away from the Canadians, finally forcing a sharp decline in the price of aluminum not just in Great Britain, but throughout the world, to the detriment of United States and Canadian industry. Russia manipulates the price of tin and lead—first down, then up—as if to flex political and economic muscles. There are indications that they may stand ready to do this with platinum, zinc, manganese, ferro-alloys, and even with petroleum products, cotton and automobiles.

"Nasser and Arab Countries Enter Loan Agreements With Russia And Czechoslovakia"

You have all read that story—of long-term, low-interest loans to construct socialized textile, glass, sugar-refining, cement and other production facilities. They are providing not only credits but technicians for Russian oil drilling in Syria and Egypt, for a Czech ceramics factory near Cairo, for a Red Chinese highway-building project in Yemen. And they are at work in other sensitive areas, too. I need only mention the Russian-paved streets of Kabul, Afghanistan; the Bhilai steel mill in India; a hospital, a hotel, an exhibition hall and a stadium in Burma, all strategically located to be seen by the greatest number of Burmese.

"Peiping Moves to Take Over Southeastern Asian Markets From Japan and Britain"

China, already in the first crude but massive stages of industrialization, moves against the West, selectively dumping consumer goods and equipment sorely needed at home in the markets it wishes to influence in the ten years just ahead. It is difficult to believe that China could undersell Britain, and particularly Japan, but she is able to do so because these sales are not made for profit but to achieve political ends.

"Moscow Offers a 25 Million Dollar Drug Industry to India"

It is becoming increasingly apparent that the Communists intend to make another propaganda coup in India and elsewhere by stressing seemingly humanitarian motivations. Even though Communist nations are currently unable to produce enough pharmaceutical products to satisfy their domestic needs, it is evident that they intend to restrict home consumption if they believe the products will serve more important political ends in export markets. In India they are going even further and are offering to finance, to design, to construct and to initiate the operation of an entire basic pharmaceutical and chemical industry for the Indian Government. This offer includes the production of life-saving medicines discovered and developed in the privately owned research and production facilities of the West. This type of action presents a threat we have not yet even begun to counter, except to a modest extent through the efforts of U. S. private industry, working alone and unaided by our Government. And if this continues, need I ask in what orbit will India be tomorrow?

These and many other Communist efforts to disrupt traditional trade and economic patterns are as much a sign of war as the shooting in Quemoy and the political maneuvering in Berlin and the Middle East. The Soviet bloc has clearly demonstrated that to achieve its political objectives it will dump, it will sell under cost, it will encourage inflation, it will extend uneconomic long-term, low-interest loans, that it will even build entire industries in countries which are its targets, employing techniques with which private industry cannot possibly compete.

Third World War Has Started

I also made a trip to a number of Communist countries this year and I can tell you that that visit, plus these headlines, and many more, lead me to the inevitable conclusion that the Third World War has already started. To think otherwise is a tragic illusion. Shooting may well have become a minor technique of modern warfare, a diversionary tactic. Economic forces, which have always been the underlying cause of war, have become, finally, the very instrument of war. Certainly, we deceive ourselves in referring to this as a "cold war." It is *the* Third World War, utilizing a broad range of economic tactics in place of bullets, bombs and battleships. We are not in the midst of a series of irritating trade problems between wars—we are in war itself. Our property, our liberty, our very lives are as much at stake as they have been in any shooting war of the past.

And why not? Down the military road, as we have known that road in the past, Russia and China risk defeat or stalemate, with consequent economic disaster and the collapse of their dream. But to multiply these seemingly small conflicts of trade to the level of all-out warfare holds great promise for the Communist mind. He thinks that way. Industrialization, increased production, economic domination, have always been his first objectives, from Marx through Lenin, to Stalin, to Khrushchev and Mao.

Let's look at this new competitor of ours. With him, industry and government are one. He is not obliged to show a profit for shareholders. He has virtually no selling costs. He is not concerned with the law of supply and demand. He fixes his own labor rates. He manipulates the selling price of his product to suit political ends. He has at his disposition all the inventions of the West. Russia and China do not believe in patents.

Threat That Is Posed

And the threat he presents is not based on the fact that he may cut a price or engage in barter, or that he will extend loans. We do these things in the West. The threat arises because he is operating outside of the known and accepted economic laws within the framework of which the free economies of the world have developed. His role is not that of a private competitor but of a government with a comprehensive plan of attack. Indeed for the Communists, government and industry are one and, unless we soon match this enforced union by an effective free association of government and industry, we will lose the fight.

In the 1930s, we ignored the clear warnings of Hitler in *Mein Kampf*. In the '40s, we disregarded the blunt declarations of Stalin. Are we now making the same tragic mistake by dismissing the blatant threat of Khrushchev when he says:

"We declare war upon you in the peaceful field of trade. We declare a war we will win over the United States. The threat to the United States is not the ICBM, but in the field of peaceful production. We are relentless in this and it will prove the superiority of our system."

In these concluding moments of our panel today, my objective has been to focus your attention on the fact that the Third World War has already begun. Our disaster at Pearl Harbor left no room for debate as to the situation we were in then. But in these times we may never know what hit us unless we are somehow able to adjust our thinking to the grim reality that we are once again at war.

All great wars ultimately become a test of the industrial strength of the adversaries. Our statesmen have said repeatedly in recent months that the major

*An address by Mr. Powers before the Mid-year meeting of the Pharmaceutical Manufacturers Association, New York City, Dec. 8-10, 1958.

strength of the U. S. A. in the economic conflict resides in our private industry and investment. But they have done nothing significant to encourage the use of private industry in this struggle, either not believing, as I propound today, that this is *the* war, or not really meaning what they say, or a little of both.

In this, the decisive conflict of an era—this 20th Century Armageddon which will set the course of history for generations to come —the United States Government seems to be keeping its most vigorous weapon, American private industry, on the shelf while it shoots missiles at the moon—and at industry. The enemy has already devised new techniques for this war, launching a major economic offensive on a world-wide frint while we still seem to be in the perilous position of preparing only for a shooting war that may never come.

Suggests Clear, Bold Program

The U. S. S. R. and China are determined to create economic havoc in the West by every possible means, and to win over the neutralist, underdeveloped countries of the world by tying their aspirations for economic growth to Soviet capital goods and technology. In trying to meet this onslaught, the United States finds itself in a dilemma. The government wants to counter the Communist industrialization offensive in the underdeveloped nations, and has the finances to do so but not the technical know-how. We of industry want to participate in the long-range industrialization programs of these countries. We have the know-how but are inevitably limited in the risks which we are entitled to take with our stockholders' money on such economic battlegrounds. Why can we not get together?

An awakened U. S. Government can offer major help, indeed can make industry a vital part of an economic counter-offensive, by providing funds for long-term financing to American and local industry. This can be done simply by diverting a part of foreign-aid funds for such loans. I don't mean subsidies—I mean loans repayable in local currencies from the earnings of local enterprise. Such a program would put government money and industry's manpower, time and skills at equal risk in a free and powerful alliance.

Vigorous new measures like this are necessary to permit and encourage American private industry to counter the Soviet offensive by operating abroad as a major expression of U. S. international policy. The occasional, partial-assistance programs offered industry by our Government are simply inadequate; bold moves are necessary in this type of war. Unfortunately, the Government is meeting the need for imaginative economic policies with business-as-usual banking answers — and that just isn't good enough.

One way or another, the underdeveloped nations will move toward some degree of industrialization. Whether they will have State-owned, socialized industries, built with Communist credit and technical aid, or free local enterprise may well depend upon the decision of our Government to take the fetters off American industry in this economic war.

A Possible *Modus Vivendi*

A number of us have visited Communist countries and I urge those of you who have not to seize every opportunity to do so. By meeting the Russian and his allies, we will be better able to gauge their measure, to find clues to their future tactics, and commercial advantage when not in conflict with governmental strategic considerations. It is equally important for whatever hope there may be that more contact at scientific, cultural and business levels could lead to a *modus vivendi* at least with some parts of the present Communist bloc.

I have tried to summarize this subject of the economic conflict of East and West, principally for the purpose of bringing it into sharp focus. There is obviously much more that could be said about ways and means of winning this war, but my principal message is that it is a war and that we of industry who under our way of life must march in the front lines of that war, whether we like it or not, need an awakened Government behind us. As individual companies and as an industry we must pursue every possible course of action to ensure an intelligent and effective free association of Government and industry in this country which will match the dismayingly effective unity of forces at the disposal of Communist strategy.

Joins Fusz-Schmelzle

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo. — Michael C. Bastunas is with Fusz-Schmelzle & Co., Inc., Boatmens Bank Building, members of the New York and Midwest Stock Exchanges.

Three With J. Barth

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Bryan R. Gentry, Richard S. Rush, Jr., and Bernarr M. Wilson are now affiliated with J. Barth & Co., 404 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges.

FHLB Reduces Notes

Everett Smith, fiscal agent of the Federal Home Loan Banks, announced that $80,000,000 of six month 1¼% consolidated notes of the banks maturing today (Jan. 15) will be paid off without refunding. Retirement of the issue will reduce outstanding obligations of the Home Loan Bank System to $634,000,000 principal amount.

Retirement, from cash resources, of debt due at this period of the year is the usual practice of the banks because inflow of cash into the banks is substantial and demand for loans smaller during the winter months, Mr. Smith said. The cash inflow, he noted, is due primarily to repayment to the banks of loans made to member institutions of the Home Loan Bank System.

French, Crawford Branch

ALBANY, Ga.—French & Crawford, Inc., has opened a branch office at 123 Court Street, under the management of Paul A. Fuller.

Quail Opens Office

DUBUQUE, Iowa—Quail & Co., Inc., has opened a branch office in the Fischer Building under the management of Hendrix Pickard.

Hall & Hall Adds

(Special to THE FINANCIAL CHRONICLE)

FRESNO, Cal.—John L. Wisner has been added to the staff of Hall and Hall, Bank of America Building.

Dealer-Broker Investment Recommendations & Literature

It is understood that the firms mentioned will be pleased to send interested parties the following literature:

Annual Review & Forecast—Bulletin—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available is an analysis on **Durtron Company** and memoranda on **Metal & Thermit Corp.** and **Pepsi Cola Co.**

Antitrust Policies & Competition—Study—W. E. Hutton & Co., 14 Wall Street New York 5, N. Y.

Atomic Letter No. 44—Discussion of projects for nuclear propulsion of rockets and earth satellites with particular comments on **Tracerlab, Inc.** and **Combustion Engineering**—Atomic Development Securities Co., Inc., 1033 Thirtieth Street, N. W., Washington 7, D. C.

Burnham View — Monthly Investment letter — Burnham and Company, 15 Broad Street, New York 5, N. Y. Also available is current **Foreign Letter**.

Federal and State Stock Original Issue and Transfer Tax Rates—Booklet of current rates—Registrar and Transfer Company, 50 Church Street, New York 7, N. Y.

Forecast for Fifty-Nine — Bulletin — Bache & Co., 36 Wall Street, New York 5, N. Y.

Graphic Stocks — 1959 issue with over 1,001 charts showing monthly highs, lows, earnings, dividends, capitalizations, and volume on virtually every active stock listed on the New York and American Stock Exchanges covering 12 full years —With dividend records for the full year of 1958—Single copy $10; yearly $50 (sample page of charts on request)—F. W. Stephens, 67-C Nassau Street, New York 38, N. Y.

Holidays in the United States—Booklet listing legal holidays in the U. S. and its possessions—Manufacturers Trust Company, International Banking Department, 55 Broad Street, New York 15, N. Y.

Japanese Stocks — Current Information — Yamaichi Securities Company of New York, Inc., 111 Broadway, New York 7, New York

Market Outlook for 1959—Special report with list of 139 selected stocks for investment—Hornblower & Weeks, FC 62, 40 Wall Street, New York 5, N. Y.

Missile Stock — Analysis — Reilly, Hoffman & Co., Inc., 141 Broadway, New York 6, N. Y.

New York City Bank Stocks—Year-end comparison and analysis of 13 New York City bank stocks—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

New York City Banks—Comparative figures on 10 largest banks—Bankers Trust Company, 16 Wall Street, New York 15, N. Y.

1958 vs 1957 — Comparative economic summary in "current comments for investors"—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y.

1959 Stock Market Outlook—In the current issue of "The Exchange"—Exchange Magazine, 11 Wall Street, New York 5, N. Y.—20c per copy; $1.50 per year. Also in the January issue are articles on "What's Ahead for the Steel Industry," Stock splits, etc.

Outlook for 1959—Comment by stock groups (Booklet F)—G. H. Walker & Co., 1 Wall Street, New York 5, N. Y.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 19-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Products and Processes—Booklet A describing developments in alloys, carbons, chemicals, gases, plastics, and nuclear energy—Union Carbide Corporation, 30 East 42nd Street, New York 17, N. Y.

Real Estate Bond & Stock Averages—Comparative figures—

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What Are the Perils and Pitfalls Of Small Business Today?

By REUBEN E. SLESINGER

Professor of Economics, University of Pittsburgh, Pittsburgh, Pa.

Errors of small business, avoidable and unavoidable, are laid bare in order to point up problems of small business and the direction for improving them. In exposing small business pitfalls, Prof. Slesinger places greatest stress on management of materials and manpower.

Small business, variously defined in terms of numbers of employees, amount of capitalization, volume of sales, or amount of assets, still constitutes an important segment of the American business scene. The problems confronting small business enterprisers especially those concerned with effective management, have been multiplying many fold in recent years.

Dr. R. E. Slesinger

The unusual nature of selling opportunities in the years immediately following World War II and during the Korean affair, enabled many enterprisers to start concerns and show unusual profit records for a few years. Now, a number of these firms face serious troubles as competition has increased both in intensity and character. The incidence of failures, receiverships, and reorganizations among small business firms, and particularly among many that were quite successful just a few years ago, indicates that the underlying cause of these catastrophies has been a failure —and in some cases a reluctance —to understand and to apply effective and recognized principles of management. The promoters of many of those concerns that have failed have been wont to blame their lack of success on such external factors as inability to secure working capital and to keep up with the research and development conducted by larger firms, inequitable tax programs, and rising labor costs. But probably more fundamental has been the unmentioned lack of effective managerial control and administration.

Managerial Errors

It may be well to ask, what are some of the errors of management that have been committed that have resulted in profitable firms suddenly finding themselves at the brink of disaster? To begin with, it is necessary that the concept of management be interpreted broadly enough by the owners. Too many small firms have relied on "one-man" management. An enterprising businessman, with a good idea and hard work along with good fortune, could build a concern or start one and in the sellers' markets of the period 1945-56 be quite successful. In such a situation, all too frequently, this businessman will guard his position of ownership too cautiously. He seldom selects effective subordinates, and when he does, often he vests in them little real authority or responsibility. However, anything that reduces the ability of the owner to function can lead to impending failure. No management team or group stands ready to aid in emergencies. This incapacity leaves the company without direction at the very time that competition is increasing in intensity and more effective managerial supervision is required. Such a situation may lead easily to hard times or the sale of the company under less favorable circumstances.

Another common failing in many small business firms in the past decade has been the flooding of management with many close relatives, often selected and placed into positions of importance without sufficient regard to ability. When it was comparatively easy to sell and production was the basic problem, incompetence in management was not particularly noticeable. But as markets become scarcer and selling more important, the existence of this type of management becomes burdensome and fraught with financial disaster.

So long as we are on the subject of incompetent management, it is well to point out that within the past few years some enterprisers who did not possess the technical knowledge to manage properly their own businesses, rode the bandwagon of being able to sell anything. In the more difficult times that have followed, it is little wonder that such enterprisers found it hard to weather even minor business storms.

Too Close Control

High among the reasons for failure of management is ineffective communications, whether it be from top to bottom, bottom to top, or at the managerial level itself. It is not uncommon for a small business firm, organized on a personal basis, to try to keep everything "in mind" and on a "personal" relationship in spite of the complexities that develop as production expands, markets grow, and personnel problems multiply. Failure to develop lines of authority and responsibility as well as failure to respect these

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From Washington Ahead of the News

By C. BARGERON

Carlisle Bargeron

Once again, one of the least advertised but highly important issues, the matter of paid-TV is being readied for another go-around in Congress. The promoters have spent something like $10 million in an effort to introduce this innovation whereby the customer, by the payment of a fee, would be able to get a preferred program. It would not be the only thing he could get on his TV set. It would be available on one station. If he wanted the present free programs he would only have to turn on a station that is producing them.

The promoters of paid-TV promise to give shows such as the Metropolitan opera, My Fair Lady, or something equally good and not now available. Manifestly they would have to present something different, otherwise their enterprise would fall flat on its face.

There are three proponents in the field, the pioneer of which is the Zenith Radio Corp. The other two are Skiatron and Telemeter. Zenith operates through a card which, inserted in the machine through a scrambling process, would bring in the picture. Telemeter and Skiatron would have coin boxes in which the patron would drop the prescribed fee.

The innovation promises to be a big boon to Hollywood and the theatrical talent. But the present radio and TV chains—NBC, CBS and ABC—claimed that it would buy off all its talent and eventually mean the end of free TV.

So far they have been able to block paid-TV through the introduction of bills to prohibit it. At the last session neither House went this far, although both the House and Senate Interstate and Foreign Commerce Committees passed resolutions giving it as the sense of the committee that paid-TV should not be installed until Congress had the time to pass a law regulating it, and asking the Federal Communications Commission to not grant any licenses until this was done. The Commission had originally ordered a three-year trial period limited to eight markets with only one station in a market. The three chains fought this bitterly. They went on the air with appeals that free TV was endangered. The result was that Congressmen were swamped with letters running into the thousands. The FCC has held up on the trial period.

Chairman Oren Harris of the House Interstate and Foreign Commerce Committee has introduced a bill at this session which would give paid TV enterprisers one station each to experiment with, but it first bans paid-TV. In other words, the authority of the FCC to order a go-ahead would be taken from it and the proponents would have to come back to Congress for affirmative action. In its present mood they would never get this. Their only chance is to leave the authority with the Commission and at the same time fight in Congress to prohibit any anti-paid-TV legislation.

Had such legislation come before the House at the last session, it would have undoubtedly passed, inasmuch as all the members were up for reelection and they were being besieged with letters. The Senate is somewhat more stubborn.

The expectation is that at this session, if the Harris bill gets to the floor, it will pass the House and again the hopes of paid-TV proponents will be in the Senate. If a prohibitive measure is not passed by Congress at this session the FCC has promised that it will go ahead with its trial program. It is difficult to see how anybody could get hurt under this program but the networks claim the paid-TV promoters would be getting their feet in the door. Very likely they would, although there are many skeptics as to the feasibility of paid-TV.

It's the old story of the buggy and wagon people who fought the advent of the automobile, or of the way the newspapers fought the dissemination of news by radio. The entertainment industry needs a pick-up and it is claimed paid-TV would give it to them.

But there will be some shenanigans before the Congress disposes of the issue one way or the other. After all the matter has been before the FCC and Congress for the last five years.

Now Rockefeller, Williams

The firm name of Teden & Co., Inc., 149 Broadway, New York City, has been changed to Rockefeller, Williams & Co., Inc.

With Ellis, Holyoke

(Special to THE FINANCIAL CHRONICLE)

GRAND ISLAND, Neb. — Gordon H. Robbins is now affiliated with Ellis, Holyoke & Co., First National Bank Building.

COMING EVENTS

In Investment Field

Jan. 15, 1959 (Philadelphia, Pa.)
Philadelphia Securities Association annual meeting and dinner at the Warwick Hotel.

Jan. 16, 1959 (Baltimore, Md.)
Baltimore Security Traders Association 24th annual dinner at the Southern Hotel.

Jan. 29, 1959 (Chicago, Ill.)
Security Traders Association of Chicago annual winter dinner at the Sheraton Hotel.

Feb. 6, 1959 (Boston, Mass.)
Boston Securities Traders Association 35th annual dinner at the Sheraton Plaze Hotel.

Feb. 27, 1959 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia annual dinner at the Bellevue-Stratford Hotel.

April 1-3, 1959 (San Antonio, Tex.)
Texas Group of Investment Bankers Association of America annual meeting at the Hilton Hotel.

Nov. 2-5, 1959 (Boca Raton, Fla.)
National Security Traders Association Annual Convention at the Boca Raton Club.

E. I. Hagen Adds

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Oregon — Edward T. Lord has been added to the staff of E. I. Hagen & Co., American Bank Building.

The Outlook for Business

By WILSON WRIGHT*

Economist, Procter and Gamble Co., Cincinnati, Ohio

Midwest corporation economist estimates a $17.2 billion aggregate net increase in business and government expenditures this year, compared to $18.7 billion in 1955; reveals surveys show consumers and managers are in a relatively optimistic frame of mind; assumes corporate profits after taxes may increase $5-6 billion over 1958; and accepts premise that overall consumer prices will be stabilized during first part of 1959. Dr. Wright observes from the manner in which recent recovery was brought about that the organization of our economy is being changed; it is held to be no longer a market economy and, thus, poses certain problems.

I assume that the present problem of economic analysis is one of appraising what people performing different economic and political functions may be expected to do in the conduct of their affairs. For this reason I begin with a brief reference to the evidence available concerning certain presently held ideas and attitudes.

Wilson Wright

First, the belief is generally held that the economy is in the recovery phase of a typical business cycle, and that the recession ended in the second quarter of 1958. This idea has been certified by the recognized authorities on the subject. Because the recovery was originated so recently it may be inferred that it is generally believed that the recovery process will be continued for a considerable period, with a duration similar to that experienced in periods of recovery which are remembered or which may be reviewed in statistical records.

Second, the evidence afforded by the October Survey of Consumer Attitudes, conducted by the Survey Research Center of the University of Michigan under the direction of Dr. George Katona, indicated that consumers expect to increase their expenditure for durable goods. They, also, appear to be more optimistic about business conditions in the next 12 months, but are dissatisfied with the prospect of higher prices. The net conclusion derived from the data seems to be that the attitude of the consumer toward buying is favorable, to the extent that some increase in trade may be expected until consumer attitudes are changed.

Third, recent surveys of the attitudes of the managers of businesses indicate that they expect to be able to increase their sales, production and profits in 1959. The optimistic attitudes indicated by these surveys are tempered by concern about the prospects for profits.

Having established the premise, that both consumers and the managers of business are in a relatively optimistic frame of mind, and that it is generally believed that cyclical recovery has been begun and will be continued, we may examine the outlook for changes in certain major categories of expenditure which are varied when fluctuations in business activity are experienced.

Changes in Government Spending

We may begin with an examination of the prospects for change in expenditure by the political authorities. In the present the magnitude of Federal expenditure is yet to be determined. Even the budget to be presented in January cannot be relied upon to provide an accurate statement of the volume of spending during the second half of 1959.

We are informed that the administration will attempt to reduce budgetary expenditure in fiscal 1960. On the other hand we are aware that there is a considerable division of opinion among politicians concerning the desirability and magnitude of different programs which require Federal expenditure. The variation in such opinions is extremely large.

Furthermore, there is some question whether or not Federal expenditure actually is under control in the sense that any specific group in government actually is held responsible, or accepts responsibility for the conduct of Federal finance in other than a limited technical sense. I will not elaborate upon this subject except to say that in the present situation it appears reasonable to assume that Federal expenditure for goods and services will be increased by $3 to $4 billion in the next calendar year.

Expenditure by state and local governments is increased annually. The magnitude of the bond issues, authorized in the last election, supports the assumption that the increase in state and local government expenditure may be continued at about the high rate established in recent years.

By combining a nominal allowance of $3.5 billion for the increase in Federal expenditure for goods and services, with a projection of an increase of $3.5 billion in state and local government outlay, we can establish a tentative estimate of increased government expenditure totaling $7 billion. This estimate, of course, must be adjusted when the actual actions of the Congress and administration become known.

Inventory Changes

Business investment in inventories is my second major category of variable expenditure. The inventory statistics which I will use are computed by the Department of Commerce. These are intended to represent estimates of the book value of inventories held by manufacturers, wholesalers and retailers. I have found this inventory series to be the most useful in appraising the effect of changes in inventory policy upon income.

Business inventories, at the end of 1958, probably are neither high nor low relative to sales. There may be some maladjustment in terms of assortment, and the proportion of finished goods held by manufacturers seems to be a little on the high side relative to the total magnitude of inventories, and a little large relative to the volume of shipments.

In the present situation it seems reasonable to assume that no large change in inventory investment will be experienced for some months to come, unless something unusual happens. Toward the end of the first quarter of 1959, or during the second quarter, business investment in inventories may be increased. The extent to which these may be increased is not predictable in the present.

The effect of inventory policy may be appraised by assuming that inventories will not be reduced in 1959 but will be maintained at the present level. If this premise is adopted the effect of this kind of inventory policy would be to increase gross income payments in 1959 by $6.7 billion relative to the level of income obtained in 1958. Moreover, if inventories are increased gross income payments will be further increased by an equal amount. This follows from the fact that, when businessmen end a period of inventory liquidation the payments to the factors of production must be larger than those which were made in the previous period even though inventories are not increased. The effect of inventory policy on gross income in 1959, therefore, may be approximately of the same magnitude as the assumed increase in government expenditure for goods and services or even be a larger factor.

Before leaving this subject it is pertinent to note that the recovery of 1958 cannot be attributed to the ending of inventory liquidation. In each month of 1958 to the end of October, the latest month for which data are available, there was a net reduction of business investment in inventories.

Capital Outlays

The outlook for changes in business investment in plant and equipment may be taken as a third important category of expenditure. The McGraw-Hill Fall Survey of the preliminary plans for the capital spending indicate that no large change in business investment in plant and equipment is planned by the firms surveyed. We may infer that the managers of a large number of businesses are looking at cross-over charts which show that profits could be increased by increasing the volume of sales to more fully utilize the plant and equipment now possessed. It should be remembered that in 1956-57 the expansion of productive capacity apparently was larger than the magnitude warranted by the prospects for sales. And in 1958 the volume of investment has been large enough to enlarge productive capacity.

In the present excess capacity may be found in a variety of businesses and industries. The magnitude of the excess capacity probably is not extremely large, for such never is the case unless there is a long-continued decline in trade. Yet the fact remains that excess capacity does obtain in the present and that recognition of this fact by the managers of the businesses involved probably will tend to inhibit a rapid expansion of such investment.

The argument that expenditure for research is providing ideas for new products and improved techniques is popular and valid. Businessmen and others have been conducting research for such purposes for a good many decades. Actually the peak in patents issued, on a per capita basis, was experienced about 1917 and has been declining since then. While it is apparent that more attention is being paid to formal research, and more funds are being directed to the performance of this function, our history of research and improvement in technology should not be dismissed by jumping to the conclusion that research is something new and unique, which may be expected to produce a tremendous increase in investment in plant and equipment in the near future. We currently are investing a large volume of funds in plant and equipment and are increasing our productive capacity by doing so.

For these reasons a large increase in the aggregate volume of investment in plant and equipment probably will not be experienced until sales are increased to a level where it is evident that more capacity actually is needed. We may also find that profits must be expanded to the point where an increase in capacity appears justified to the persons who determine such matters.

On the other hand with businessmen in relatively optimistic frame of mind, in the kind of general economic situation which I am describing, it would not be

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*An address by Dr. Wright before the Investment Analysts Society, Chicago, Dec. 18, 1958.

Morgan the Most

By DR. IRA U. COBLEIGH
Enterprise Economist

A tribute to the most elite, elegant and eminent name in American finance on the eve of the merger of J. P. Morgan & Co., Incorporated, and the Guaranty Trust Co. of New York.

The sight-seeing bus slowly stared and gaped its way down Wall Street. It paused for a moment in front of Number 23 while the guide intoned: "On the right you see the internationally famous banking house of J. P. Morgan." "How can you tell," piped up a kid from the sticks, "it doesn't say." "It doesn't need to," replied the guide. He was right. Number 23 Wall Street is the most distinguished address, on the best known street in the world.


Ira U. Cobleigh

Since 1873, this storied site has housed the banking firm stemming from the original partnership, J. Pierpont Morgan & Co., formed in 1862. This famed partnership (after two changes in name) became, in 1895, J. P. Morgan & Co., the most respected and influential banking institution in American history. Serving as both a commercial and an investment bank, it was the corporate architect and financial shepherd of such great companies as United States Steel, American Telephone and Telegraph, New York Central, General Motors, Du Pont, Johns Manville, Standard Brands and dozens of others. Pre-eminent in railway finance, the House of Morgan was principal underwriter and syndicate manager in the flotation of billions in railroad securities; and it played a dominant part in the consolidation, merger or reorganization of many of our major transportation systems.

On two occasions J. P. Morgan & Co. helped to avert national financial disaster by its resourceful leadership. In 1895 it put up gold for the United States Treasury; and it stemmed the panic of 1907 by assembling the cash to sustain the solvency of certain New York banks.

As banker to the British Government and fiscal agent for the French during World War I, J. P. Morgan & Co. arranged for the purchase of over $3 billion in war supplies. In the 1920s J. P. Morgan was the major underwriter, responsible for distribution to U. S. investors, of the external bonds of Great Britain, France, Italy, Belgium, Germany, Norway, Austria and Australia.

These are some of the earlier Morgan achievements. But there came a change. Under the requirements of the Federal Banking Act of 1933, J. P. Morgan & Co. had to choose between commercial and investment banking. It could no longer legally do both. The partners decided in favor of commercial banking. The historic partnership continued until 1940 when it was terminated, with the formation of J. P. Morgan & Co., Incorporated, which has carried on to this day, the commercial banking — and the tradition — of the House of Morgan.

This tradition of excellence and skill in banking, the lengthened shadow of the Elder Morgan, has been carried forward through the years, by the efforts and achievements of a series of unusually gifted men who have guided the Morgan destinies. In addition to four generations of Morgans, such names as Drexel, Leffingwell, Lamont, Stettenius, Morrow, Whitney, Anderson, Davison and Alexander have comprised an echelon of sustained top flight talent unrivalled among financial institutions.

But time marches on. Morgan, the great merger, is, itself, to be merger — merged with another renowned international banking institution thrice as large—Guaranty Trust Company of New York. Guaranty, with a main office at 140 Broadway, New York, three midtown branches and offices in Paris, Brussels and London, has resources of over $3 billion. Its average of commercial and industrial loans in 1958 was $1,092,000,000. Long regarded as a "wholesale" bank, its customers include most of the 100 largest corporations in America, as well as leading banks in many cities. It also does a huge business in corporate and personal trusts. The Guaranty Trust Board of Directors is a virtual Who's Who in commerce, industry, and finance.

The contemplated merger of these great institutions will create a new $4 billion bank, Morgan Guaranty Trust Co., of New York, with capital funds of more than $500,000,000. This will be the third largest New York bank, and fourth largest in the nation. It will leave to others the functions of chain store banking, small personal loan and instalment financing. But with its skilled personnel and combined managerial excellence, it will be splendidly equipped to serve the banking and fiduciary requirements of large corporations and individuals of high solvency. The exceedingly strong capital position of Morgan Guaranty Trust will permit a maximum legal lending limit, to any single borrower, of slightly over $50 million.

The mechanics of the merger call for delivery of one new share of Morgan Guaranty Trust stock for each share of Guaranty now held; and 4.4 shares of the new stock for each share of J. P. Morgan & Co. Inc. now held. On this basis present Guaranty stockholders will own 79.6% of the equity in the new bank, and Morgan shareholders, 20.4%. The total capitalization of Morgan Guaranty Trust will consist of 7,540,000 outstanding shares, each with a book value of about $70. It has been assumed that the present dividend rate of Guaranty Trust, namely $4 a year, would be continued. In that event present Morgan shareholders will be accorded a sizable increase in annual income—from $10 to $17.60 on each share now held.

The new top management at Morgan Guaranty glistens with talent, experience and financial judgment. The Chairman of the Board and chief executive officer is to be Mr. Henry C. Alexander (now Board Chairman of J. P. Morgan); Mr. J. Luther Cleveland (now Board Chairman at Guaranty) is to be Chairman of the Executive Committee; Mr. H. P. Davison and Mr. Thomas S. Lamont (both of J. P. Morgan) will be Vice-Chairmen of the Board; and Mr. Dale E. Sharp (now Guaranty President) will be President of the merged institution. And there's a lot of younger talent coming along in both banks, giving assurance of sustained managerial competence in depth, and a rich reservoir of "top brass" for the years to come.

Because this exciting merger was approved, by both boards of directors, during the newspaper strike in New York, and announced at the same time as the 3-for-1 split in A. T. & T., it didn't get its full share of publicity. The market, however, immediately and enthusiastically responded, advancing the bid prices of both stocks by more than 10%.

Now all that remains is the assent of stockholders, approval of the New York State Superintendent of Banks, of The Federal Reserve Board; and absence of any restraining antitrust action by the Department of Justice. If all goes well, Morgan Guaranty Trust Company of New York should become a financial reality by mid-March — an institution of new magnitude, carrying on, for the benefit of 37,000 stockholders, rich banking traditions going back to the Civil War. In every phase of commercial banking — domestic and foreign; personal, corporate and pension trusts; fiscal agency and investment advisory service; and as a major dealer in government and municipal bonds, Morgan Guaranty will be uniquely equipped to function broadly, efficiently and profitably. The wedding of Morgan and Guaranty will be a brilliant affair. It is no morganatic marriage!

Richard Harrison Adds

(Special to THE FINANCIAL CHRONICLE)

SACRAMENTO, Calif.— William J. Ahern and Bryan Miles have become connected with Richard A. Harrison Inc., 2200 Sixteenth Street. Mr. Miles was previously with Wilson & Bayley.

Financial Planning Opens Two Branch Offices

Financial Planning Corporation has opened a branch office at 90 Grand Street, White Plains, New York, under the direction of Robert S. Wilson, and in the Tectonic Building, Somerville, New Jersey, under the management of Henry Rice.

Two With May & Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Oreg. — Jack K. Holman and Lawrence B. Pagter, Jr., are now with May & Co., 618 Southwest Yamhill Street.

The Meteoric Growth Of Mutual Funds

By W. GEORGE POTTS

Manager, Mutual Fund Department, A. C. Allyn & Company, Chicago, Ill.

Chicago mutual fund department manager is convinced of the bright outlook for what he describes is "one of the fastest growing investment media in the country". Mr. Potts provides statistics showing present and projected rise of mutual funds, outlines the "real" advantages accruing to owners, reviews markedly improved changes in the make up and regulation of this industry, describes the wide choice of funds to fit different needs and the different types of funds; and lists the states permitting use of trust accounts. Advises systematic, continuous investing regardless of price level so as to build up investment over a long period of time.

In May, 1958, the mutual funds industry crossed the $10 billion of assets line to become "Major League" in the financial world.. Although the successful launching of two large new mutual funds and several smaller ones gave a big push to mutuals in 1958, this relatively new industry has been quietly gaining popularity in recent years and today ranks as one of the fastest growing investment media in the country.

W. George Potts

In 1940, mutual funds were virtually unknown to the average investor. At the close of 1958, net assets of open-end investment companies are estimated to be $12¾ billion. Some forecasters predict sales will push them to $20 billion of assets in five years—possibly $40 billion in another decade.

This rapidly expanding form of investment is creating thousands of new investors each year —investors in American industry and business. Some $100 million of new funds are put into the stock market monthly and a recent study showed investment companies as holding nearly 4% of the dollar value of all stocks on the New York Stock Exchange. Thus a vital and dynamic new financial institution—the open-end mutual investment fun—is emerging to take its place as an important segment of the American way of life.

Today there are 146 open-end mutual investment company members of the National Association of Investment Companies with combined total net assets as of Oct. 31, 1958, of $12,281,441,000—an increase of over $3½ billion from the figure at the 1957 year-end and a growth of over 2,600% from the $447 million of assets at the 1940 year-end, largely due to additional purchases.

In 1957, mutual funds paid investment income dividends in the record amount of $322,381,000 to an estimated 1,500,000 shareholders. The number of shareholder accounts in open-end mutual funds at the end of the third quarter of 1958 was over 3,500,000. These figures include considerable duplication since many persons hold investments in more than one company. This is a tenfold increase over the 296,056 shareholder accounts at the end of 1940.

The growth of open-end mutual funds has been vigorous and consistent over the past 19 years, as shown by the following tabulation, based on a report of the National Association of Investment Companies on 146 open-end funds.

It is particularly significant that the assets of open-end mutual funds have shown a steady growth over this period despite uncertain market trends and declining volume of securities business in certain of these years. For example, in 1947, the total volume of transactions on the New York Stock Exchange declined almost one-third from 1946. Yet in the same year, the assets of mutual funds increased almost $100 million, while the number of shareholders increased by about 100,000. In the week following the outbreak of the Korean War, the market as measured by the Dow-Jones Industrial Stock Average, declined 6.9%. However, new money from sales exceeded redemptions of mutual fund shares during this week. Thus, mutual funds, as a group, gave support to the market by buying more securities than they sold. In 1957, sales of mutual fund shares were more than $40 million higher than in 1956. However, due to market declines, net assets at the 1957 year-end were off some $300 million from the year earlier figure.

Because of the high liquidity of mutual funds, many have thought that in periods of market weakness, shareholders would turn in shares for redemption thus forcing the funds to liquidate securities and accentuate the decline. The fact is that in all recent breaks, the mutual funds bought rather than sold thus tending to give stability to the market in periods of uncertainty.

Growth of Open-End Mutual Funds

Calendar Year-End	No. of Companies	Total Net Assets (Thousands of Dollars)	No. of Shareholders Accounts
1940	68	$447,959	296,056
1941	68	401,611	293,251
1942	68	486,850	312,609
1943	68	653,653	341,435
1944	68	882,191	421,675
1945	73	1,284,185	497,875
1946	74	1,311,108	580,221
1947	80	1,409,165	672,543
1948	87	1,505,762	722,118
1949	91	1,973,547	842,198
1950	98	2,530,563	938,651
1951	103	3,129,629	1,110,432
1952	110	3,931,407	1,359,000
1953	110	4,146,061	1,537,250
1954	115	6,109,390	1,703,846
1955	125	7,837,524	2,085,325
1956	135	9,046,431	2,580,049
1957	143	8,714,143	3,110,392
1958	160	*12,750,000	*3,640,000

*Estimated

What Is a Mutual Fund?

Mutual funds are a security—one certificate which represents a package of many securities. Mutuals provide a basic financial service whereby the average person can conveniently invest in stocks and bonds. The investment can be any amount. It might be $1,000, $10,000, $100,000 or more or perhaps as little as $25 per month. In a mutual fund, large and small investors alike receive the same advantages and service.

A Pool of Money: Expressed in simplest terms, mutual funds are a pool into which thousands of investors have brought together their surplus cash in order to employ investment management that otherwise would be available only to possessors of large sums of money.

Professional Management: The American economy is very complex with business and economic conditions continually changing. There are tens of thousands of securities, some good and some not so good. For a small investor to select and maintain an intelligent variety of securities is ordinarily not possible—for he lacks the training, facilities, information, ability and the time. This calls for the services of professionals who devote their full time and many years in the study of investments and economics.

By pooling their dollars, large and small investors alike can employ professional investment management with continuous supervision at a proportionately small charge. For example, the average annual charge for investment management is about $\frac{3}{4}$ of one per cent. Thus, the management fee for one year on $2,000 of net assets would be $15—less than a year's subscription to almost any newspaper.

Diversification: The combined funds of the shareholders of mutual funds are spread over many securities and many industries in much the same fashion as the investments of the very wealthy or of large institutions. An investor who "puts his eggs in one basket" by investing in one or a few companies may do very well or very badly. The investor in the early promise of the automobile business who purchased General Motors Corporation stock could could have made a handsome profit. Investments in the stocks of many other automobile makers led to large losses in many cases. Mutual funds by spreading the risk over many companies and industries endeavor to participate in the over-all general growth trend of American industry rather than in the possibilities of a few companies. The theory is to spread the risk of loss and accept an "average" result, rather than seek spectacular performance at the greater risk of concentration on a few holdings.

Investing Is Their Business: The sole business of an open-end investment company (mutual fund) is to invest the funds of its shareholders in the securities of American corporation (a few mutual funds invest in other countries). To justify its existence, a mutual fund management must do a better job of managing securities than the investors can do for themselves. Or course, not all management does the job it sets out to do—there is variation in managerial ability and success and hence varying degrees of risk to the investor.

Investment Income

A mutual fund receives dividends or interest payments from the many securities held by the fund. This income, after deduction of the management fee and operating expenses (usually about eight-tenths of 1% per annum of average net assets—the average expense ratio to average net assets of 183 leading funds in 1957 was 0.79%) is distributed pro rata to shareholders of the fund. Distributions of income are usually made by the fund quarterly —four times a year. And because there are many sources, some income may reasonably be expected, although varying in amount—with larger payments in good times and smaller distributions in bad times.

Security Profits

In periods of generally rising security prices, mutual funds may be able to realize profits from the sale of securities and such profits are distributed to shareholders usually once a year, near the fiscal year-end of the particular fund.

The majority of mutual funds would prefer not to pay-out capital gains distribution since the retention of security profits makes a good backlog and acts as a cushion for share prices in declining markets. However, the Federal Income Tax Law is such that a fund must pay out capital gains in order to avoid payment of cor-

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NEWS ABOUT BANKS AND BANKERS

CONSOLIDATIONS
NEW BRANCHES
NEW OFFICERS, ETC.
REVISED CAPITALIZATIONS

Augustus R. Southworth, Jr. has been elected Deputy Comptroller of **Chemical Corn Exchange Bank, New York,** it was announced by Harold H. Helm, Chairman. Mr. Southworth, after graduating from Dartmouth, took his M. B. A. at Harvard and then entered the banking field. He joined Chemical in 1956 where he has been an Assistant Comptroller since 1957. He is with the bank's Control Division at 165 Broadway.

A. R. Southworth, Jr.

* * *

The appointment of Adalbert von Gontard, Jr., as an Assistant Vice-President of **Manufacturers Trust Company, New York,** is announced by Horace C. Flanigan, Chairman of the Board.

Mr. von Gontard joined Manufacturers Trust Company in 1951. He was appointed an Assistant Treasurer in 1954 At present, Mr. von Gontard is the bank's representative in the Southwest which includes Colorado, Kansas, Missouri, New Mexico, Oklahoma and Texas.

* * *

Elected Vice-President of **Guaranty Trust Co., of New York,** were John P. Bochow and Reidar E. Gundersen.

* * *

Chemical Corn Exchange Bank, New York, on Jan. 12 opened its newly-constructed branch office in the heart of Chinatown at the southeast corner of Canal & Mott Streets. Since 1919, Chemical has maintained an office on Chatham Square which is being transferred to the new location.

The new office has been built to meet the expanding banking needs of this growing community, according to Chairman Harold H. Helm. Appropriately, in keeping with Chinese custom, this office has been given the oriental name of "Mei Hwa Yin Hong" which symbolizes "Beautifully Bright."

* * *

FEDERATION BANK AND TRUST CO. NEW YORK

	Dec. 31,'58 $	Sept. 30,'58 $
Total resources	178,185,299	160,362,289
Deposits	164,534,605	148,578,252
Cash and due from banks	38,807,436	28,977,686
U. S. Govt. security holdings	26,425,136	28,640,768
Loans & discounts	80,106,170	69,707,294
Undivided profits	1,242,892	1,072,171

Edmund F. Wagner, President of **The Seamen's Bank for Savings, New York,** has also been elected Chairman, effective Feb. 1, it was announced. John D. Butt, having reached the retirement age, will retire as Chairman on Jan. 31. He will continue as a Member of the Board of Trustees.

Edmund F. Wagner

John D. Butt

Mr. Wagner became President of the bank on Nov. 1, 1958.

He is a Trustee of Consolidated Edison Co.; Trustee, Citizens Budget Commission; Vice-President, Director and a member of the Executive Committee of the Commerce and Industry Association of New York; Vice-President and a Director of the Realty Foundation of New York.

Mr. Butt will remain actively associated with a number of business and civic organizations. He is a member of the Real Estate and Mortgage Department Advisory Board of the Manufacturers Trust Company, a member of the Committee on City Administration of the Commerce and Industry Association, President and a Director of Downtown Lower Manhattan Association, and a Director of Central and Southwest Corporation.

The Seaman's Bank for Savings, chartered in 1829, has resources of over $500,000,000.

* * *

George A. Mooney has been elected to the board of **Federation Bank & Trust Co., New York.**

* * *

COMMERCIAL BANK OF NORTH AMERICA, NEW YORK

	Dec. 31,'58 $	*Dec. 31,'57 $
Total resources	165,965,841	151,083,073
Deposits	146,561,390	135,289,289
Cash and due from banks	23,373,539	27,642,538
U. S. Govt. security holdings	45,904,231	42,289,344
Loans & discounts	78,914,020	72,296,605
Undivided profits	4,384,270	3,515,744

*Figures include Bank of North America and Commercial State Bank and Trust Company which were merged September, 1958.

* * *

Mr. George O. Nodyne, President of the **East River Savings Bank, New York,** announces the election of the following officers:

William J. Rommel of the William Street office, Vice-President; Ernest W. Holling, Main Office, Gomer A. Wolfe, Rockefeller Plaza Office, and Fred F. Alessi, Amsterdam Ave. Office, Assistant Vice-Presidents.

Mr. Rommel appointed Manager of the Amsterdam Avenue Office in 1947 was elected Assistant Vice-President in 1949. In 1953 he became Manager of the 55 John St. Office and has been active in the recent transfer of the latter office to its new location at 110 William Street.

Mr. Holling has been with the bank since 1927.

Mr. Wolfe came to East River in 1927.

Mr. Alessi has been with the bank since 1933.

* * *

Mr. DeCoursey Fales of **The Bank for Savings in The City of New York,** has retired as Chairman of the Board. On Jan. 6 he was given a dinner by the Trustees and Officers in commemoration of the occasion.

As Chairman Emeritus, Mr. Fales will continue as a Trustee.

The election of Robert F. Marchant as Executive Vice-President of the Bank for Savings was announced by Alfred S. Mills, President. Mr. Marchant joined the bank in 1927, and is presently Treasurer, which title he will keep.

* * *

William E. P. Doelger and Irving A. J. Lawres have been elected to the Board of Trustees of **Manhattan Savings Bank, N. Y.**

* * *

Roderick McRae, Executive Vice-President of the **Bank of New York,** has been elected a Trustee of the **Lincoln Savings Bank, Brooklyn, N. Y.**

Mr. McRae has been with the Bank of New York since 1942.

* * *

THE MEADOW BROOK NATIONAL BANK OF FREEPORT, N. Y.

	Dec. 31,'58 $	June 30,'58 $
Total resources	384,054,916	362,002,634
Deposits	350,636,774	329,906,239
Cash and due from banks	28,527,091	37,384,779
U. S. Govt. security holdings	109,386,353	105,546,297
Loans & discounts	163,754,455	139,855,219
Undivided profits	1,898,027	1,953,596

* * *

SECURITY NATIONAL BANK LONG ISLAND, N. Y.

	Dec. 31,'58 $	June 30,'58 $
Total resources	183,475,051	189,105,441
Deposits	167,498,468	172,588,529
Cash and due from banks	23,502,024	25,651,332
U. S. Govt. security holdings	48,883,757	48,618,009
Loans & discounts	58,094,748	81,885,750
Undivided profits	638,835	629,660

* * *

Robert J. Casey has been named public relations director of **Western Pennsylvania National Bank, McKeesport, Pa.,** effective Jan. 1. He will also be a member of the bank's management committee.

M. A. Cancelliere, President, said Mr. Casey will be in charge of all public relations, advertising and sales promotional activities of the institution, which is the third largest national bank in Western Pennsylvania.

* * *

LINCOLN ROCHESTER TRUST COMPANY ROCHESTER, N. Y.

	Dec. 31,'58 $	Dec. 31,'57 $
Total resources	391,772,343	374,650,275
Deposits	357,104,232	341,631,341
Cash and due from banks	93,971,490	92,423,447
U. S. Govt. security holdings	106,904,141	85,076,372
Loans & discounts	118,386,421	127,679,799
Undivided profits	4,996,557	3,684,623

* * *

RHODE ISLAND HOSPITAL TRUST CO. PROVIDENCE, R. I.

	Dec. 31,'58 $	June 30,'58 $
Total resources	310,399,705	311,024,859
Deposits	276,308,131	274,839,135
Cash and due from banks	41,063,176	47,604,495
U. S. Govt. security holdings	84,487,062	80,564,941
Loans & discounts	163,559,955	165,780,281
Undivided profits	3,285,297	3,044,617

* * *

Merger certificate was issued approving and making effective, as of the close of business Dec. 31, the merger of **Allegheny Trust Company, Pittsburgh, Pa.,** with common stock of $700,000, into **The Union National Bank of Pittsburgh, Pittsburgh, Pa.,** with common stock of $2,500,000. The merger was effected under the

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The Changing Insurance Industry

By LELAND T. WAGGONER*
President, Life Insurance Company of North America, Philadelphia, Pa.

The insurance industry is put on notice regarding the evidentiary trend toward multiple line underwriting. Mr. Waggoner underscores the convenience and economies desired by the public and agents alike which are said to be inherent in medicine, banking, or insurance "one-stop service." The insurance head refers, also, to dilemma of allowing "specialty" companies the profitable lines, and carriers the less profitable lines, which cannot assist an agent or an insured to solve his needs for multiple line coverage.

I attended the recent meeting of the Life Insurance Agency Management Association in Chicago. Present were nearly 1,000 executives from life insurance companies and a number of fire and casualty companies. While the predominance of people represented strictly life companies, there were innumerable addresses and individual conversations concerning the pros and cons of the agency system as we in the life insurance business know it, and the totally different American Agency system that is strongly upheld by independent agents. Also, representatives and direct writing companies discussed their approaches to selling all lines of insurance, and the discussions about multiple line or all line coverage do not represent the basic fundamental questions, but primarily points which seem to be completely academic.


Leland T. Waggoner

First, much time is being spent questioning the term — "one-stop service" — which seems to have caught on and struck the fancy of people in and out of the insurance industry. Certainly this does not mean that the millenium has come and that agents will be able to make all sales with one stop, any more than it means that one agent will necessarily sell every kind of policy. We believe it means that the public will be able to have one agent or agency to handle all its insurance needs; that he will have the economies resulting therefrom and the convenience of paying all of his insurance with one check each month.

Others prefer to talk about whether there are changes or trends towards multiple line underwriting.

Speaking of changes reminds me of a story about an old man 90 years of age. Someone suggested that he must have seen a lot of changes in his day. He remarked: "Yep—I surely have and I was agin' all of them."

Will Not Argue the Case

I am not going to waste time trying to prove that there are trends towards multiple line underwriting, although I would like to make one or two brief comments . . . for some have even questioned the evidence of such a trend. For instance, on Sept. 29, one of the leading insurance publications, published by two close friends of mine, devoted almost its entire issue to questioning whether such a trend exists and ended up by stating: "If there is no concrete evidence which supports a trend toward multiple lines, it's outrageous to make believe there is."

It is not my intent to try to prove any concrete proof of whether such a trend exists. I honestly have no concern as to whether you believe times are changing in this direction. I do personally believe that sitting back to wait for concrete proof of the change which appears to be taking place is more distressing and disastrous than the ostrich who put its head in the sand. He could pull it out of the sand, but the concrete might harden and make this impossible.

Cites Observations

The October issue of the *National Underwriter* discussed the entry of fire and casualty companies into the life insurance business and the life companies into the property field, and made the observation that "there is a marked and unmistakable trend in this direction and there should be no doubt that it will continue." The October issue of the *Spectator* stated that not until the years of the Second World War did the insurance institution yield to public demand and initiate multiple line underwriting and that within the last few years this urge for simplification has combined to bring about an urge for multiple line underwriting in its broadest sense.

It's interesting to observe that according to the *Natiional Underwriter* the first 12 companies in the fire and casualty field, writing the largest property business, eight are or are currently becoming multiple line companies, and only four are not. Thus of the top 12 companies only four (America Fore Loyalty, Liberty Mutual, U. S. F. & G., and Royal Globe) do not yet function in the life field. A number of other large property companies such as the Kemper group, St. Paul F & M, Farmers of Los Angeles, Employers Group, Transamerica and General of Seattle, have all entered the life field. I'm not going to try to prove that a trend toward multiple-line underwriting exists. Obviously, many people and companies with assets in the billions believe it does.

Many people today agree that a trend exists but prefer to debate who created it . . . the public, the agents or the companies. Frankly, I think there's something to be said for each group. Actually, the subject would be academic were it not for the fact that it detracts from the key issues. Let's consider each group.

Let's start with the most important persons in the world — the prospect, or the insured.

One of the speakers at the LIAMA meeting said, "the public does not demand multiple line underwriting, in fact, it couldn't care less."

In one sense this is valid. The public probably doesn't even understand the term. It is also doubtful if there is any demand for life insurance as such. There is a demand for those things which life insurance will provide—money to pay off a mortgage; money to keep a family together after the death of the breadwinner; money to educate a little boy or girl; money to provide an income in old age.

Convenience and Economy

There may be no public demand for multiple line underwriting but there is a demand for convenience and economy in every product and service in existence!

In the area of professional services we find people prefer to go to a clinic where all medical or dental care can be taken care of. This is also increasing with other professional services — legal and accounting. The public is increasingly gravitating to the bank which provides services not in evidence a few years ago. For instance, in some metropolitan areas, banks have started providing curb service to transact what was once one of the most dignified of all transactions, the withdrawing and depositing of money. In some areas a man increasingly likes to pay all of his regular community bills through a new credit service inaugurated by some banks. He likes to travel the world over and to eat in the finest restaurants, and pay the Diners Club once a month—he likes to pay his insurance premiums monthly, as well as most everything else he buys . . . and in the two or three years pre-authorized checks have been generally available, he finds that it is too much trouble to write individual checks, so—to an extent almost undreamed of two or three years ago—people are adopting the services of life insurance companies which have enabled them to sign one authorization allowing the insurance company to draw each month a check for the proper amount of the premiums due.

Secondly, let's consider the agent—really the most important—in this first instance, I refer to the independent general insurance agent. In the past he has represented, with the knowledge and consent and even the encouragement of various companies. True, there has not been, perhaps, a clamor on his part for companies to enter new fields, but we believe that just as there is a trend on the part of the public to do business with one individual or one agency where it can have full service—we think that there is as yet a hardly discernible but yet, nevertheless, present trend on the part of agents to represent fewer companies, but to represent them across the board. If this is correct, it represents a need for his company to be multiple-line.

Thirdly, let's consider the companies: Here, too, we find a wide divergence of opinion. Some would prefer to believe that our business is not changing. They may be right, and in any event, they have a right to their beliefs. Others would prefer to look the other way with the vague hope of adjusting coverages and services at some future time if it becomes necessary; others who perhaps would be just as agreeable to sitting back and doing nothing, see in our business today unmistakable and significant developments, which whether we like them or not, they are here to stay—are destined to grow—and most important, offer an increased opportunity to render service to the public and to increase profit. Certainly there is no criticism of this, for certainly this is true in any competitive business. Certainly there is no question that such companies exist. For instance, the direct writers in many areas are growing stronger and more competitive every day. They intend to and are getting a larger share of the market. Last month, for example, Sears Roebuck invested an additional $50,000,000 in Allstate, its insurance company. One of the Allstate executives at the LIAMA meeting declared, "it is the fire and casualty companies who are creating the demand for all lines in order to cover loss

*An address by Mr. Waggoner before the All-Industry Dinner sponsored by the Dayton, Ohio, CPCU Chapter.

ratios expense in other lines." Serious reflection will indicate this is undoubtedly an important source of demand.

In spite of this, it is doubtful if companies would put up tens of millions of dollars to enter the life insurance field if they didn't believe this would enable them to provide the convenience and economies desired by the agents and public alike. But undoubtedly the loss ratios of all companies have encouraged fire and casualty companies to seek a complete balance book.

Refers to Dilemma

If these observations are correct—and again we have no doubt that they are—this implies still another dilemma.

In the past decade, a large percentage of insurance premiums have been written by *specialty* companies—companies which most successfully have sought business from only one or a few small number of lines—and would accept only the profitable lines. They were profitable companies.

We feel that in the future agents and companies will increasingly consider it "unfair" for an agent to expect a carrier to handle the less profitable lines, leaving the profitable ones to the specialty companies — companies writing only life insurance or accident and sickness, or some other one line or two. They cannot help an agent or an insured solve his needs for multiple-line coverage.

What's Ahead in 1959?

By G. M. LOEB

Partner, E. F. Hutton & Company, New York City
Author, "The Battle for Investment Survival"

Observing that "The cost of corporate ownership is in many cases inflated beyond the foreseeable future," Mr. Loeb doubts 1959 will repeat 1958 unless the year turns out to be another 1927. Expects 1959 to be one of buy and sell rather than buy and keep, and forebodingly reviews fundamental danger to our economy which may materialize if we complacently act as though "it can't happen here."

In 1958 buying of equities again became the fashion.

The year 1959 should determine how lasting that fashion will be. Stock prices, always anticipating business conditions in varying degrees, have widened the spread between expectation and realization to a greater-than-average amount. The cost of corporate ownership is in many cases inflated beyond the foreseeable future.

G. M. Loeb

In 1958 buying and holding paid off. It was a year when the investor who used his eyes rather than his head, and followed the market's activity and strength had the greatest success.

The new year will hardly follow in the tracks of 1958 unless 1959 turns out to be another 1927. That rise was powered by momentum and sentiment rather than facts.

The foremost influencing factors of this year's stock market should be the speed and extent of actual earnings recovery. Realists, analysts and seasoned investors may then again provide the principal buying at prices they feel are justified.

A Year to Buy and Sell

I expect 1959 to be more of a year to buy and sell than to buy and keep. It might in some cases be a trifle too early to sell, but in many cases it seems too late to buy. The best buying opportunities are not likely to occur in January but rather later in the year.

Anticipated early 1959 investment demand—should it develop—could be used to accept profits and put accounts in a position to take advantage of opportunities that promise to develop in the months to come.

I expect 1959 to be more than ever a market of stocks rather than a stock market and more than ordinary selection is almost mandatory.

Offers Dismal Picture

I am not an economist but behind quoted stock values lie the productive capacity and earnings ability of the corporations themselves. At various times since 1933 the more experienced have expressed fears about our neconomy based on disturbing developments over the years. In a broad and general way the majority felt these warnings were unjustified and those that uttered them were old-fashioned and ultra-conservative. While their direct predictions have not materialized, still the picture is not as good as it appears on the surface. The distortion caused by the decline in the value of the dollar and a certain amount of living off our capital has made things seem better than they are. Our greatest danger today is complacency. The newest threat to our industrial well-being is that the combination of cheap labor plus modern machinery abroad is outpricing us in an increasing number of world markets. We read about the situation in France. It is dangerous for us to think "it can't happen here." We have all the resources to win if we don't sabotage ourselves by turning soft. Our greatest need is an honest day's work for an honest day's pay.

John Nuveen Opens Office in Nebraska

OMAHA, Neb.—John Nuveen & Co., national investment banking organization with headquarters in Chicago and New York City, has announced the opening in Omaha, Neb., of its newest regional office. Wm. R. Oostenbrug is Regional Manager assisted by William J. Rex.

Nuveen's Omaha office is connected by private wire with Nuveen's main Chicago - New York communications system. As one of the oldest and largest investment banking organizations in the United States dealing in tax-free Public Bonds (Municipal Bonds) exclusively, John Nuveen & Co. also maintains offices in Atlanta, Boston, Cincinnati, Detroit, Los Angeles and St. Paul. The company, now in its 61st year, was founded in 1898 in Chicago by the late John Nuveen.

Now With Walston

(Special to The Financial Chronicle)

EUGENE, Oregon—Robert Enright has become affiliated with Walston & Co., Inc., 101 East Broadway. He was formerly with Pacific Northwest Company.

Two With Grant, Fontaine

(Special to The Financial Chronicle)

OAKLAND, Calif.—Ronald J. Carminati and William R. Holt have become affiliated with Grant, Fontaine & Co., 360 Twenty-first Street.

Fundamental Investors Elects John R. Haire

ELIZABETH, N. J. — John R. Haire has been elected Vice-President of Fundamental Investors, Inc., one of the nation's largest mutual funds. He is resigning as vice president of the New York Stock Exchange effective March 31 to assume his administrative responsibilities with Fundamental Investors on April 1, 1959. Mr. Haire was also elected vice-president of Hugh W. Long & Co., Inc., and of the two other investment companies sponsored by that organization.

John Haire

Mr. Haire, born in Rhode Island, was graduated from Harvard Law School and was admitted to the Massachusetts bar in 1950. Before joining the staff of the New York Stock Exchange in 1953, he was legal and financial aide to William H. Vanderbilt and secretary-treasurer and a director of a number of Vanderbilt enterprises. He served the Stock Exchange successively as special assistant to the president, Secretary of the Exchange, and vice-president.

Phila. Inv. Ass'n to Hear W. L. Morgan

PHILADELPHIA, Pa.—The first 1959 luncheon meeting of the Investment Association of Philadelphia will be held on Friday, Jan. 23, at Sherry's Restaurant, 1425 Chestnut Street.

Guest speaker will be Walter L. Morgan, President of The Wellington Company, investment managers of Wellington Fund and Wellington Equity Fund, who will discuss mutual funds.

Herbert S. Bengtson of Schmidt, Roberts & Parke, is in charge of reservations.

Can Banking Fill the Gap Opened by Rush Into Stocks?

By JAMES P. HICKOK
President, First National Bank in St. Louis, St. Louis, Mo.

Remonstrating that private and government bond, and mortgage, financing cannot be left solely to banking, Mr. Hickok warns that investors' rush into stocks and desertion of fixed income investments is not healthy for the future of our economy. He also warns that resort to stocks as a hedge can become a boomerang. The St. Louis banker deplores other inflationary dangers in wage-price spiral and repeated Federal deficits. As for the economic picture, he sees continuing near-term recovery and tighter money market but argues we must fight hard against inflationary threats.

The American economy is showing an amazing ability to snap back from the 1958 recession, and there is every indication that its currently rising trend will continue at least through mid-1959.

There are some clouds in the picture. No one knows for certain how the 1959 model automobiles will fare. Some economists are predicting a decline in farm income and a continuing unemployment problem. Money is getting tighter again, and this may reduce the number of housing starts and other construction work.

Yet, the general business outlook for 1959 appears definitely favorable. Here at First National Bank, we are not particularly concerned about the immediate future. But we are seriously concerned about the longer range potential for extreme inflation.

We have experienced a continuing inflation for more than 20 years now, but it has been kept somewhat within bounds. Increases in business, industrial, and farm productivity on the one hand, and the intervention of fiscal and monetary policies on the other, have succeeded in withstanding any wild inflation.

Three Dangerous Factors

Today, however, there is serious worry that inflationary forces could reach beyond the limits of normal control.

Three factors should be cited.

Although business, industry, and labor have done an outstanding job of increasing productivity, there continues to be heavy and often successful pressure for wage increases that go beyond productivity. This one trend alone could lead ultimately to an uncontrolled inflationary situation.

Our government is continuing to spend beyond its income, and we face pressing financial problems in connection with deficit financing. With the military and economic "free world" commitments we have at home and abroad, and with the increasing demands for more spending by the influential political leaders today, we face a tremendous task in keeping the American dollar and economy on a sound basis.

Finally, the investors of our nation—large and small, individual and institutional—seem convinced that common stocks are the only safe hedges against the effects of inflation. They are helping to increase inflation by deserting the bond market, government securities, and other fixed income investments.

Consequence of Rush Into Stocks

Since there has been widespread comment as to the unhealthiness of the wage-price spiral and repeated Federal budget deficiencies, some observations relative to the securities markets may be in order.

The rush to common stock and other equities is understandable, but it is not healthy for the future of our economy. We must have a strong bond and mortgage money market, and we must have an attractive market for government securities. This type of financing must not be solely in the hands of our banking system, where it only helps to feed the fires of inflation.

Traditionally, common stocks have been a good hedge against inflation in this country. But, if the current stock buying trend continues, common stock prices can become so inflated themselves that they will destroy their hedge value. Investors will have defeated their primary investment purpose.

There is every good reason to believe that our economy—local and national—will continue at a high and satisfactorily expanding rate for a long time to come. But we must fight hard to solve or stave off the serious threats in our situation which could lead to an abnormal and disastrous inflation.

N. Y. Reserve Bank Optimistic on Business

Favorable aspects about the recovery are reported by Federal Reserve Bank of New York. Latest report hopes that the continued strengthening of consumer demand will induce business capital spending which, in turn, will increase employment.

Business continued to strengthen in December, further advancing the economic recovery under way since the second quarter of the year, according to the January "Monthly Review" of the Federal Reserve Bank of New York.

Factory output appears to have risen again, although probably not so much as in November, when the termination of a series of labor disputes had given an especially sharp boost to production in the durable goods sector. Retailers seem to have enjoyed a record Christmas season, and sales of the 1959 model cars improved considerably. Construction activity, a mainstay of the recovery, rose to a record level in December for the third successive month. In addition to increasing final demand, the economy was apparently benefiting at the end of the year from a change-over from inventory liquidation to a gradual rebuilding of stocks, according to the New York Reserve Bank.

Unemployment did not rise in November, when it usually increases substantially because of the curtailment of outdoor activities. In November, total personal income rose $2.5 billion to a new high of $360 billion, and the Department of Commerce estimated that the 1958 total would be 1½% higher than in 1957. With consumer incomes at new highs, the stage was set for a record Christmas shopping season. Data on total retail sales for December are not yet available, but there are signs that more was spent on Christmas shopping than ever before.

The article noted that a major element in the increased consumer spending during the last two months of 1958 was a sharp pickup in auto sales from the very low levels to which they had fallen in September and October.

The Federal Reserve Bank article concludes that economic expansion vigorous enough to take up the slack in employment remaining from the recession will depend heavily on a rise in business capital spending. Although recent surveys indicate that businessmen are not yet planning a substantial increase in plant and equipment expenditures in 1959, the continued strengthening of consumer demand might well induce businessmen to lift their sights somewhat higher.

In another article the Federal Reserve Bank of New York reports that during the past six months commercial banks in the United Kingdom and many other foreign countries have broken with tradition and entered the field of consumer instalment credit. These moves have occurred with startling rapidity and stem in part from the recent relaxation of credit restraints in a number of foreign countries. If the expansion in consumer credit abroad takes place within the framework of sound credit practice, it could set off a new stage in the development of mass-produced consumer goods and, in the process, a further rise in living standards.

Gregory Harrington Joins Taylor & Co.

BEVERLY HILLS, Cal.—Gregory I. Harrington has become associated with Taylor and Company, 439 North Bedford Drive. Mr. Harrington was formerly in the municipal department of the Los Angeles office of Eastman Dillon, Union Securities & Co. Prior thereto he was with Shearson, Hammill & Co. and conducted his own investment business in New York.

A Summary of Africa

By ROGER W. BABSON

Popular financial writer offers an abbreviated encyclopedia about South Africa reflecting items of interest as a result of a recent trip to that continent.

So many readers of my column have written to me questions about South Africa, that I have selected 16 of the most important and am answering them here.

Roger W. Babson

(1) *Population.* The population of Africa is estimated at 135 million. Of this total, about five million are Mulattoes, about three million English and other Europeans, and about two million Dutch, known as Afrikaaners. This leaves about 125 million Blacks, which speak nearly 200 different languages. This language barrier prevents the Communists from now geting any hold in Africa.

(2) *Cost of Living.* This is high for all groups. Black labor is very cheap, but it is very inefficient. Most articles, textiles, etc., are imported.

(3) *Large Retail Stores.* These are very attractive and well stocked, equal to the best in any American city of similar size. There are probably too many small retailers. The merchants are mostly Jewish, Malayan, and English.

(4) *Building.* The Blacks live largely in thatched-roofed mud huts, while most of the white-collar people live in very attractive four-story apartments built of brick tile covered with cement.

(5) *Hotels, Churchs, and Clubs.* These are the same as in any American city of similar size but more segregated as to race and inheritance.

(6) *Farm Land.* This is very high priced, at $500 an acre and upward, and can be equaled at $100 an acre in the United States. This high price is due to the fact that agricultural land lies only in small valleys between the highlands and mountains.

(7) *Weather.* South Africa has its hottest months in January and February; and its coldest in July and August, with practically no freezes, except in the highlands. South Africa is fast becoming a winter resort for Europeans.

(8) *Rainfall.* Long periods of drought are followed by terrible floods. Someday the floods will be controlled, but not yet. The weather is fine for citrus, with no freezes and much sunshine. Drought is overcome by irrigation.

(9) *Banks.* There are several local banks scattered throughout Africa; but South Africa has only four. Each of these banks has hundreds of branches. I like Barclays Bank the best, but all are equally good. Banks pay 4½% interest on deposits; bank stocks yield about 9% to stockholders. I believe these bank stocks offer the greatest opportunity for growth of any in the world.

(10) *Large Cities.* There are only a few large cities in Africa; but all are having a marvelous growth. Forty-five years ago Johannesburg had only a thousand people, all living in tents. Today the population of this city is over 600,000, and there are dozens of skyscrapers. My favorite cities are Cape Town, Durban, and Salisbury.

(11) *Fisheries* These are very prosperous, and mostly on the Southwest Coast. Frozen fish and so-called "lobster tails" (crayfish) come into the United States free of duty; but a 45% import duty must be paid on canned fish.

(12) *Local Investments.* When the South African people sell out their mining stock, they use the profit to build apartment houses for rent. They believe that acreage, business blocks, and apartment houses are the best hedges against inflation.

(13) *Highways.* These are wide and well tarred. Most white-collar workers have automobiles, which are mainly American-made. No oil of commercial grade is now found in Africa. Soft coal exists in great quantities. This is being distilled, and the distillate is being used for gasoline for autos and trucks; the residue is used for tarring the highways.

(14) *Minerals.* My reason for visiting Africa was to investigate the diamond, gold, chrome, and copper mines. I was interested only in the richest and longest-lived mines, of which there are not too many. I especially like those whose stocks can be bought by the purchase of American Depositary Receipts and that are listed on the New York Stock Exchange. Too many African mines are short-lived and very speculative.

(15) *Water Power.* Africa leads all continents in undeveloped water power. Three of these possibilities are now being developed. I am especially enthused about the one at the Kariba Gorge on the Zambezi River. This will be three times the size of our Hoover Dam, and has the world's largest man-made lake to supply water in the dry seasons. It will supply power to the copper mines.

(16) *Wild Beasts.* Africa has the greatest number of wild beasts now remaining on this earth. There is a huge collection in the Kruger Reservation, 300 miles by 50 miles in area. I was unable to visit this reservation, where they all run wild and have equal opportunity to follow their natural pattern for survival; but Mrs. Babson had the courage to go by herself, with a guide. These wild animals offer a suggestion for world peace — namely, by giving equal opportunities to all creatures. If all men and beasts have sufficient opportunities to eat and to develop, there will be no Communists.

THE MARKET . . . AND YOU

By WALLACE STREETE

Stocks had their profit-taking difficulties this week but with volume dwindling on the irregularity. The high-priced items and other recent favorites bore the brunt of the selling.

* * *

American Telephone, no longer the sedate item it was before the generation-old $9 dividend tradition was discarded, was a bit prominent among the casualties on occasion as the Street debated with some vigor the question of what would be the proper price for this item under the changed circumstances.

What Price Romance?

A good many felt that the new romance added to the issue ought to carry it to the $300 level—only reached once before in history, at the peak of the 1929 frenzy—but there was much dissension. At the equivalent of $100 for the new shares after a 3-for-1 split, the yield would be down to 3.3% and the price some 20-times earnings. The argument against this is that many utilities which have been growing steadily sell at less than 20-times earnings and their yields run well into the 4% bracket. And there is also the school that still anticipates valuable rights offerings by Telephone as has been common since World War II. That throws an unknown factor into the dispute.

* * *

Like Zenith last year, Addressograph was able to show superior action more times than not despite the fact that its last 3-for-1 split is still so recent that it isn't logically a new split candidate. It was given to some wide swings, including a fat downswing, but showed good recuperative power. The new shares have already carved out a 50% improvement over their low since the split last September. Zenith, which split last April and consequently had a longer trading life, ended 1957 with the old shares selling at $129. Despite the 2-for-1 splitup, the new shares were able to stand at $194 at 1958 ended, tripled in price on the year.

Temporary Casualties

Metals, chemicals and some of the specialties that had carried the ball for the bull market swing for so long were the obvious casualties when selling was prevalent, a not-unlikely development. About the only thing the realizing did definitely was to stall the time when the industrial average will show a 600 reading for the first time in history.

* * *

For a full week and a half—all of the sessions this year, in fact—the intraday reading of the industrial average was above 590, on one session within three points of the 600 mark, but couldn't quite reach it.

* * *

Rails continued to show fair buoyancy and swayed about in tune with industrials but by margins that were generally meaningless. And the rail average is far from being in any position to scale any historic heights although it is at its best posting since 1956. The high that year, however, fell short of the 1929 peak and is still more than a dozen and a half points above the standing this week. In short, despite offering the high yields for any market group, rails have few persistent followers which, again, is not a new story.

Interest in Rail Equipments

In fact, what mild speculation centered anywhere near the rails was directed mostly to the railway equipment shares on the theory that cost-cutting by rails was at the expense of maintenance and new equipment and a pickup would seem inevitable if the recovery trend apparent in carrier business in the final month of 1958 continues.

* * *

There was only a trickle of forecasts about the 1959 stock market compared to the usual flood, for something of a new note. The apparent reason was that many of the houses were described as, and admitted being, cautiously optimistic; cautious because of the high levels of selected issues and groups in the market, optimistic because further recovery in general business seems assured which ought to find reflection in some of the neglected items that haven't participated up to here in the market's strong upsurge. Then, too, promise of vigorous action to combat inflation seemed possible since the battle against it was admittedly "at a crucial point" according to the Federal Reserve Board. And that bred its own caution.

Attractive Neglected Items

There was still much fodder in the way of neglected items among the listings where prices certainly don't seem excessive in any way. Cuningham Drug, for one example, has been hovering around nine-times the average earnings and less than 11-times the latest fiscal year, while the names bandied about much wider as the bull market pets had worked to 45- to 50-times earnings.

* * *

Cunningham suffered a bit in the 1958 fiscal year both because of chronic unemployment in key areas where it operates and because sales couldn't increase sufficiently to offset higher operating costs. With factories humming again, principally in the Detroit area, possibilities of a gain in sales are good.

* * *

Where some wild price action has been blamed, in part, on the small capitalization of the issues involved, Cunningham hasn't been conspicuous even though its capitalization is a meager 381,600 shares in an era when multi-million share totals are common. The stock's range through all of last year was a flat 10 points. Like other neglected items, its return is a generous 5%, well above average.

* * *

There are, too, cases like Grayson-Robinson Stores where a definite policy of retiring shares is in effect, trimming the capitalization and theoretically, at least, boosting the equity of the remaining ones. In 1957-58 Grayson acquired 41,600 shares, leaving 684,000 outstanding. But the shares are still available in the market at less than half book value. The company did show a drop in profit in the 1958 fiscal year although sales were slightly higher, but Peerless Camera Stores has been added to the chain recently and a wider gain in volume in addition to that projected from an expanding economy is promised.

Restraint in Motors

Autos were the restrained section, with even volatile American Motors, best-acting stock of 1958 with a price improvement of more than 416%, calming down considerably. American nearly doubled output in 1958 over the previous year and jumped solidly into black ink of large dimensions. Production is still moving higher but a big help to the handsome profit figures were tax credits which made it exempt from payments. This credit runs out early this year and the liability for full corporate taxes is acting as a brake on any more ultra-glowing estimates of per share earnings such as those that were bandied around during the spirited runup in the stock.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Assoc. Inv. Secs. Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Alexander G. Evans is engaging in a securities business from offices at 1041 South Wilton Place under the firm name of Associated Investment Securities Company.

Brittin & Co. Formed

(Special to THE FINANCIAL CHRONICLE)

SAN MARINO, Calif.—Charles S. Brittin is engaging in a securities business from offices at 2275 Longden Avenue under the firm name of Brittin & Co.

Investor's Decision on British Equities and Government Loans

By PAUL EINZIG

Current switch from equities to bonds in Britain is held to be a temporary affair which will reverse itself in not too many months as profit-squeeze ends and price-level rise resumes. The author also notes that the optimism for governments reflects anticipated further decline in interest rate and bank rate. But in taking a long run view, he is pessimistic about government loans and, for example, points out that even a highly conservative investor as the Church of England has substituted equities for bonds in its portfolio. As for a possible Labor Party victory, he propounds different effects on securities various socialist measures might have if instituted.

LONDON, Eng. — Contrary to widespread expectations, the rising trend in equities that was proceeding with few interruptions throughout 1958 came to an abrupt halt soon after the turn of the year. There was a surprisingly sharp reaction which could not be explaned solely on the ground of profit-taking after a prolonged rise. What was even more unexpected, simultaneously with the setback in equities there was a sharp recovery in the market for Government loans, especially in long-dated and irredeemable stocks. This was due in part to foreign buying inspired by the return to convertibility and by the firmness of sterling that followed the change.

Dr. Paul Einzig

There was a certain amount of investment-switching from equities to Government loans as a result of the narrowing of the difference in the yield on the two types of securities. Many investors regard it as a golden rule that whenever the difference declines to an unusually low figure it is time to switch into Government loans. This rule operated reasonably satisfactorily in the past and for this reason quite a number of people swear by it.

In reality the Stock Exchange has concluded no contract with Providence to ensure that this rule must necessarily apply in perpetuity. Circumstances might well arise in which the difference could disappear altogether, and in which the yield on Government loans could even rise permanently and substantially above the yield on equities.

Predicts Lower Interest Rates

The assumption that the existing difference is too narrow would be justified if 1959 proved to be a year of deflation. That would mean a lowering of interest rates causing a rise in the gilt-edged market and a decline in industrial profits causing a fall in equities. Beyond doubt a further decline in short-term interest rates in Britain may safely be anticipated. Following on the successful return to convertibility the authorities may now consider it safe to reduce the bank rate once more. Taking a very short view, therefore, there may be justification for some degree of optimism about the prospects of Government loans.

Likewise, second thoughts about the immediate prospects of equities are not altogether unreasonable, even though the year 1959 as a whole will be a year of inflation and will witness a further rise in prices. During the next few months, however, it is not certain whether industrial firms will be able to pass on to the consumer the increased costs resulting from wage increases. Profit margins in many industries are liable to fall. As far as capital goods industries are concerned it may take some time before inflation will be able to revive demand on the same scale as witnessed in recent years.

Before many months, however, the influence of wage increases on consumer demand is bound to prevail. Industrial firms will be once more in a position to pass on to the consumer all the increases in their costs and to secure a wider profit margin. This will lead to an increase in the demand for equities and to renewed unpopularity of Government loans. The present switching over to the latter is only justified on the shortest possible view.

No Reprieve for Government Bonds

Taking a long view there can be no reprieve for Government loans and other fixed interest-bearing securities. Wage inflation has condemned them to depreciation not only in terms of money but much more in terms of purchasing power. Holders are doomed to be hit both ways. They will have less pounds, dollars, etc. to spend and the purchasing power of their monetary unit will decline. It is difficult to visualize a situation in which Government loans could be saved from such dual depreciation.

It may prove to be profitable in the short run to take advantage of temporary rallies in Government loans, but investors who are concerned with the long view are gradually switching over to equities. In 1953 the Church Commissioners of England held British Government loans to the amount of £89 million and equities to the amount of £21 million. By 1958 their holding of British Government loans declined to £20 million and their holdings of equities increased to £73 million. If a highly conservative investor such as the Church of England undoubtedly has deemed it advisable to transfer the bulk of its capital into equities there can be little hope for Government loans to remain at reasonably high prices. They have to decline to levels at which they attract speculators aiming at profits through temporary rallies.

So far we have been dealing with the economic aspects of the relative merit of equities and Government loans. Let us now consider its political aspects. If, as seems possible, the Berlin situation should lead to a crisis during the spring it is bound to affect both equities and Government loans. There is nothing much to choose between the two from that point of view. On the other hand, should the political factor assume the form of a Socialist victory at the General Election the immediate reaction is bound to be more unfavorable to equities. Fears of nationalization without adequate compensation, additional taxation, and other anti-capitalist measures are liable to cause a fall in equities even before the election unless the Gallop Poll and other indications point clearly towards a Conservative victory. On the other hand, it is the declared intention of the Labor Party to pursue a policy of cheap money that should benefit the gilt edged market.

Advises Against Bonds with Socialism

Looking further ahead, however, a change of Government need not necessarily be adverse to equities. Cheap money and the abandonment of the resistance to inflation is liable to increase industrial profits. Moreover, it is the declared intention of the Labor Party to buy up the control of a large number of leading industrial firms and this demand is bound to put up the prices of equities. At the same time the rise in Government loans is likely to be checked as and when Socialist policies lead to a balance of payments crisis. Taking a long view, therefore, the preference for Government loans is not justified even on the anticipation of a Socialist victory.

Form Mutual Securities

ABILENE, Texas — Mutual Securities, Inc. has been formed with offices in the Mims Building to engage in a securities business. Officers are Robert D. Grisham, President; James R. Jennings, Vice-President; and Mitchell T. Broyles, Secretary-Treasurer.

Lee M. Limbert to Be Dean Witter Partner

On Feb. 1 Lee M. Limbert will become both a general and limited partner in Dean Witter & Co., 14 Wall Street, New York City, members of the New York and Pacific Coast Stock Exchanges. Mr. Limbert for many years was an officer of Blyth & Co., Inc.

Lee M. Limbert

Roland Merrell, V.-P. Lee Higginson Corp.

Roland Merrell has been appointed Vice-President of Lee Higginson Corporation, 20 Broad Street, New York City, members of the New York Stock Exchange. Mr. Merrell is Manager of the firm's syndicate department.

Shearson, Hammill Co. To Admit Henry Reed

Shearson, Hammill & Co., 14 Wall Street, New York City, members of the New York Stock Exchange, on Feb. 1 will admit Henry W. Reed to partnership.

Harris, Upham Adds

(Special to THE FINANCIAL CHRONICLE)

KANSAS CITY, Mo. — Thomas J. McGreevy has become associated with Harris, Upham & Co., 912 Baltimore Avenue.

Keeping America a Land of Opportunity

By R. PERRY SHORTS*

Second National Bank of Saginaw, Saginaw, Mich.

Michigan banker pinpoints the present dangerous features of our economy and laudably predicts President Eisenhower will be recorded in history "as one of the outstanding great men of our time—and one who came when he was needed." Mr. Shorts advises young men seeking their opportunity to practice "old-fashioned honesty," thrift and hard work; deprecates pressure groups, and terms "sound money" our greatest problem of the day in the financial field.

Surely, we are living in the grandest Nation in the world. To our sons, to every young man I would say—you don't have to be exceptionally brilliant to make a good living here. Our country is a land of opportunity where every man has a chance to rise and win his share of its manifold blessings to mankind. All you have to do is to use your God-given brains and follow the simple formula of Thrift, Hard Work and Old-Fashioned Honesty.

R. Perry Shorts

If you can't save money, Boys, you haven't a chance of much success. Every fortune you see is proof positive that somebody worked and saved. What you earn is not so important—it's what you save that counts. Also, Hard Work is essential. Every outstanding man in every trade and profession is a "Hard Worker"—make no mistake about that. And you must be Honest, in order to maintain a good reputation. Nobody will trust you far or long—unless you are honest.

Free Enterprise vs. Socialism

And the grand thing about it all is that the great majority of our people have always been thrifty, hard working and honest—and their combined thrift and labor and integrity throughout the years, coupled with Free Enterprise, have built up the strongest nation in the world. Critics may attack our Free Enterprise System, but no one can successfully attack the standards of living it provides—broadest ownership, highest wages, and greatest abundance of the good things of life. Back in ancient times, Horace, the wise old philosopher, said, "If a better system is thine, impart it; if not, make use of mine." This is America's challenge to the world today.

And don't let any politician tell you that our low income groups can't share in our prosperity. The top men in scores of our large corporations today were once poor boys who saved their money, bought their companies' stock and then worked like beavers to climb to the top. Any man who has saved $100 can now buy shares in almost any business corporation in America. Right now, we have an economic system that beats Statism and Socialism and Communism a mile; where our workers themselves can even buy control of their own corporations—and do it without any bloody revolution. All they have to do is to save their money and invest it wisely. They will then be running their own lives—and not slaving for a dictator or a group of bureaucrats.

Every young man should quickly learn that the only allurement that Socialism has to offer is a promise of greater abundance in exchange for freedom—but history shows that **abundance** and **freedom** for the people never go together. There just isn't enough "abundance" to go around. He should also soon discover that the government hasn't any money to hand out to people, except what it collects in taxes from the people themselves, unless, of course, it manufactures it against government debt, or simply prints it—and that kind of money spells trouble.

The true welfare of our people rests on economic grounds. When business prospers, we have prosperity—more wealth, more factories, more goods, more jobs—and every law that hurts business hurts everybody. There is more danger in Big Government than in Big Business. It is Free Enterprise that promotes our industries, furnishes our jobs, and passes prosperity around. And so surely, it is our patriotic duty to preserve Free Enterprise in our Nation and not permit socialistic philosophies to weaken its structure or divert its ideals.

Pressure Groups

After the Revolutionary War when the American Colonies had finally won their independence, Benjamin Franklin said "You have won your freedom—now keep it." And in 1857 (over 100 years ago), Macauley, the great English scholar, expressed the opinion that while our Democratic form of government was ideal in theory, **"Your Constitution is all sail and no anchor."** He then predicted that Pressure Groups would gradually pressure our government to give up its "seed corn" for their special benefit and thereby bleed and weaken its structure and constitute a dangerous threat to its survival.

These predicted Pressure Groups are now growing by leaps and bounds. There are Veterans' Groups, Farm Groups, Labor Groups, Pension Groups, Education Groups, Foreign Aid Groups, and a host of others—and they are constantly demanding from the government more and more costly benefits. They practice the slogan of the old horse-and-buggy days—"The wheel that squeaks the loudest gets the grease"—and few lawmakers have the courage to refuse to spend taxpayers' money when large groups of votes are at stake. In the last five years, government spending on agriculture alone has more than doubled and now amounts to over $1,000 for every Farm in the country.

And then there are Co-operatives and Mutual Associations (hundreds of them of every nature and description) transacting billions of dollars of business per year and being allowed hundreds of millions of dollars of unfair tax advantages over our full taxpaying businessmen against whom they compete. They are not concerned with the government's loss of revenue—but only with retaining their freedom from taxes. The Pressure Groups **increase** our outgo, and the Co-ops **decrease** our income—and the ones who suffer are the full-taxpaying citizens. Millions of members belong to these Pressure Groups and Co-ops and they are working day and night to increase their representation in our legislative halls, both State and National. Isn't it about time we put an **anchor** in our laws to prevent discrimination and restrain the power of organized minorities?

Furthermore, these Spenders on the one hand and tax-advantage-seeking Co-ops on the other, are not Jeffersonian Democrats (for Jefferson advocated government economy and pronounced "public debt as the greatest of dangers"), and they are not Lincoln Republicans (for Lincoln stood for equal rights for all)—and yet they are demoralizing both parties and threatening the stability of our government. If Democracy means anything surely it means **Tax Equality and equal privileges for all.** I have no fear of our ability to meet and defeat any foreign foe—it is group attacks from within that worry me.

Sound Money

An in the financial field, I believe our greatest problem of the day is the **Defense of the Dollar.** Even the Communists work on the theory that the quickest way to ruin a country is to destroy its currency. **Never before has our United States Dollar been worth so little as it is today**—and **never before has our debt been so large** (and Socialistic ideas usually grow as a Nation's debts grow). Monkey with the Nation's currency and you jeopardize all values. Our Government started this inflation when it took us off the Gold Standard in 1933 and began its "Pump Priming" and spending sprees—and it can never stop it until it restores Sound Money again and quits spending more than it takes in. Only the Government can **start** widespread inflation—and only the Government can **stop it.**

Inflation is the politicians' cocktail to keep the people happy while it ruins them—and yet these Spenders know that every-time they vote another pension, another bonus or another price support (without providing means to pay for it), your hard earned dollar goes lower and lower. If

*A New Year's Day Toast by Mr. Shorts at the Saginaw Club, Saginaw, Mich., Jan. 1, 1959.

our money today were depreciated since prior to World War I as much as France's money now is, $100 would buy about 2 pounds of hamburger. But, of course, the politicians don't like Sound Money because it restrains their spending. The tragic thing about it all is that this basic immorality which makes our Government's promises worth less and less, is rarely even considered by many of our politicians today. My earnest hope is that some day before it is too late, our Government will declare and enforce as a National policy—**free and fair competition resting upon Sound and Stable Money**—and thus permit our country to sail proudly on to ever enlarging Strength and Freedom and Progress.

Here then, are some of our national problems which our young men are facing. Study them carefully, protest against the wrong and fight for the right, always keeping in mind that famous warning—"To sin by silence when we should protest, makes cowards out of men. The human race has climbed by protest." And also remember the words of Edmund Burke: "All that is necessary for the forces of evil to win in the world, is for enough good men to do nothing."

Our Nation's Leadership

And now, let us consider the leadership under which our great Nation has developed. Thirty-three men have occupied the Presidency of the United States—and only 3 are still alive. Today we are toasting our present Leader.

It is one of the tragedies of American history that the greatness of our greatest men has not been fully recognized until after death had closed their careers. So it was with Washington and Jefferson and Lincoln—and so it will be with President Eisenhower. It seems that greatness cannot be discerned except from a distance. In its presence, our eyes are dimmed. You cannot see a mountain if you stand too close.

As in business, a man's net worth is measured by the surplus of his assets over his liabilities, so in history, a great man's net worth must be measured by the excess of his accomplishments over his failures. War Heroes are made by war, Peace Heroes by peace and World Statesmen by world issues. Carlisle has said "Great men always come when they are needed." To my mind, President Eisenhower has been a great War Hero, a great Peace Hero, and a great Statesman in the cause of World Peace—and I believe that a few years hence, when political prejudices have been forever washed away by the purifying waves of time, history will record him as one of the outstanding great men of our time—and one who came when he was needed.

His whole life has been one of unselfish service—first to his Country, and then to the Free World at large. In the early '40s, when the chief business of the world was war, and the vast battles had thus far gone overwhelmingly in favor of the Axis Powers; when the Allies decided as a last resort to pool their European forces and launch one colossal attack against the enemy—it was Dwight D. Eisenhower whom they selected as the Supreme Commander of their combined armies and navies and air forces. The voluatary concentration of such stupendous faith and power into the hands of one man had never before been known. This battle was, no doubt, the greatest physical conflict in the history of mankind for on its outcome rested the continued life of 47 allied nations throughout the world and the freedom of hundreds of millions of people (including you and me)—and the result was unconditional surrender of the enemy.

After World War II was over, Dwight Eisenhower came home. In 1956, he was elected President of the United States—and from that time on has devoted his untiring efforts even beyond his physical strength, to the promotion of "Peace on Earth," and the preservation of Free Enterprise for our people—and Efficency, Solvency and Morality for our Government.

Just one more thought. At this crucial time, when our whole system of Government is being challenged by a foreign power, let us rededicate our lives to our country and its ideals of freedom—the noblest cause we know. Though our vision may now be obscured by turmoil of the times and our spirits sorely tried by the apparent strength of evil, yet we have faith that the dawn is surely breaking on the day when the Free Nations of the world will stand together to establish and maintain enduring freedom for mankind.

"Ye who have faith to look with fearless eyes
Beyond the tragedy of a world at strife,
And know that out of death and night shall rise
The dawn of ampler life;
Rejoice, whatever anguish rend your heart,
That God has given to you the priceless dower
To live in these great times, and bear your part
In Freedom's crowning hour;
That ye may tell your sons who see the light
High in the heavens, their heritage to take—
'I saw the powers of darkness put to flight;
I saw the morning break.'"

Jacquemot to Admit

Francis J. Wiest will acquire a membership in the New York Stock Exchange and on Jan. 22 will become a partner in Jacquemot & Co., 120 Broadway, New York City, members of the New York Stock Exchange.

New De Haven Branch

JENKINTOWN, Pa.—De Haven & Townsend, Crouter & Bodine have opened a branch office at 100 York Road under the management of Warren G. Ewin and George A. Buffum.

New Grimm Branch

CARLISLE, Pa.—Grimm & Co. have opened a branch office at Northeast Public Square, under the management of John B. Fowler, Jr.

Chas. Gordon Securities

HONOLULU, Hawaii — Charles Gordon Securities, Limited has been formed here to engage in a securities business. Mail address of the firm is P. O. Box 2905.

James A. Hutchinson, Jr. With Northeast Distributors

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — James A. Hutchinson, Jr. has become associated with Northeast Distributors, Inc., 50 Congress Street. Mr. Hutchinson was formerly for many years a partner in Hutchinson & Company.

H. M. Bennett Opens

LOS ANGELES, Calif.—Harry M. Bennett is engaging in a securities business from offices at 4102 West Fifth Street. He was previously with McCormick & Co.

Midland Investors Open

COLUMBUS, Ohio — Midland Investors Company has been formed with offices at 52 East Gay Street to engage in a securities business. Officers are Robert S. Jones, President, and William W. Ellis, Jr., Secretary-Treasurer.

Forms Gulf Inv. Co.

LAKELAND, Fla.—Richard A. Mosco is conducting a securities business from offices at 811 East Lexington Street under the firm name of Gulf Investment Co. He was formerly with Douglas E. Bark & Co.

Our Reporter on Governments

By JOHN T. CHIPPENDALE, JR.

The Treasury in its new money raising operation, stayed very much with the conventional type of financing. The offering of a 21-year bond in a modest amount ($750,000,000) did not surprise the financial district too much since a real long-term issue was looked for by most money market specialists. The one element of surprise in the new money flotation was the amount of money the Treasury asked for; namely, $3,250,000 instead of the well publicized $2,000,000,000.

The 16-month note which was used to raise the bulk of the new money ($2,500,000,000) also was pretty much what the money market had been expecting. This issue was used as a replacement for the Treasury bills which had been used to raise needed new money.

Later Needs Anticipated

The $750,000,000 of 4% bonds, due Feb. 15, 1980, were offered by the Treasury at 99 to yield 4.07%, and the $2,500,000,000 of 3.25% notes, due May 15, 1960, were priced at 99¾, to yield 3.45%. The total amount of the Treasury borrowing of $3,250,000,000 was considerably in excess of the $2,000,000,000 to $2,500,000,000 which the financial area has been led to believe the Government would borrow in its new year money raising venture. It was explained by a spokesman for the Treasury that it was decided to obtain the additional funds at this time so as not to disturb the money market with additional cash offerings before the end of March. As a result, the Treasuray will cut back its weekly offering of bills, with the regular 91-day issue being reduced to $1,400,000,000 while the 182-day obligation will be held at $400,000,000. This decrease in offerings of Treasury bills will begin on Monday, Jan. 19. By obtaining the additional money at this time, the Treasury will also be in a position to meet the attrition that could come out of the $15 billion refunding operation of February.

Highest Bond Rate Since First World War

The 4% Government bond, due Jan. 15, 1980, is the first long-term obligation the Treasury has offered since last June, and the rate is the highest paid since the fourth Liberty bond of World War I. The uptrend in money rates in the past months is reflected in the higher cost the Government has had to pay for its new money borrowings and there are no indications in sight yet that the large February refunding will see any reversal of this trend. It is believed in most quarters that the monetary authorities will not be making any changes in policy as long as the pressure of inflation is as strong as it has been. Also, there are indications that the fears of inflation are not going to be lessened very much as long as there is so much concern about the future purchasing power of the monetary unit.

Bond Issue Well Received

The 21-year 4% bond which was offered in the amount of $750,000,000 was not a large issue and had appeal for those that were interested in putting money into a savings type of obligation. It was made to order for pension funds, both the private and public ones, as well as certain savings and loan associations and savings banks. It is also indicated that individuals in not a few instances went in for the 4% government bond—not only with new cash, but also with funds which were obtained from the sales of other Treasury issues and from savings accounts. Commercial banks, with sizable savings deposits, were also reported to have been among the important buyers of the new 4% issue.

The instalment plan, which adds to the attractiveness of the new 4% bond, calls for payments of 25% by Jan. 23, the issue date of the bond; 50% by Feb. 24, 75% by March 23, and full payment by April 23. This kind of payment will appeal to those buyers that are not in the commercial bank or individual classification.

Note Yield Attractive

The 16-month note also found buyers among commercial banks, particularly the institutions that have important amounts of savings deposits. It was evident that the return of 3.45% for the 16-month note also made it an attractive obligation, although there are presently outstanding Government issues with comparable maturity dates which give a better after tax yield. It is also reported that some of those institutions that had been buyers of the 182-day bills went into the 3.25% note because of the more favorable return.

Foster & Marshall to Admit Four Partners

SEATTLE, Wash. — Foster & Marshall, 820 Second Avenue, members of the New York Stock Exchange, on Feb. 1 will admit Leo E. Sandstrom, John K. Marshall, A. Joseph Peaper, and Kurt H. Olsen to partnership. Mr. Sandstrom and Mr. Marshall will make their headquarters in the firm's Spokane office, in the Fidelity Building. Mr. Peaper will make his headquarters in the Portland office, Southwest Sixth Avenue at Oak Street, and Mr. Olsen in Eugene, Oreg., 55 West 10th St.

L. F. Rothschild Co. Celebrates 60 Years

L. F. Rothschild & Co., 120 Broadway, New York City, members of the New York Stock Exchange, are celebrating the 60th anniversary of the firms founding in 1899.

In addition to the home office the firm maintains two offices in up-town New York City, Boston, Chicago, Montreal, Philadelphia, and Rochester, and a foreign representative in Geneva.

John W. Curtis

John W. Curtis passed away Jan. 7 at the age of 79. Mr. Curtis was President of the old New York Curb Exchange (now the American Stock Exchange) from 1924 to 1926.

New Hutton Office

LOS ANGELES, Calif.—E. F. Hutton & Co. has opened a branch office at 4155 Wilshire Boulevard under the management of Darrell J. Bogardus, Jr.

Cruttenden, Podesta Admits Five Partners


Donald Wales


Donald R. Bonniwell


James K. Cruttenden


Whitney M. Sewart


William C. Karlson

CHICAGO, Ill.—Five new general partners have been admitted into Cruttenden, Podesta & Co., 209 South La Salle Street, Members of the New York and Midwest Stock Exchanges, Robert A. Podesta, Managing Partner, has announced.

They are Donald Wales, Donald R. Bonniwell, James R. Cruttenden, Whitney M. Sewart and William C. Karlson. The latter four men have been associated with the firm for a number of years.

Mr. Wales was formerly a partner in Security Supervisors, investment counsellors and managers of Selected American Shares, a mutual investment fund. Earlier in his career, he was an analyst with Glore, Forgan & Co. and an investment analyst for the Continental Casualty Company.

Mr. Wales is a lecturer in finance at Northwestern, a staff contributor to Finance Magazine, and a member of the American Finance Association.

New Honolulu Office

HONOLULU, T. H.—Walston & Co., Inc., has opened a branch office at 2161 Kalakaua Avenue, Waikiki Beach, under the management of Richard M. Botts.

Amott, Baker Branch

POMPANO BEACH, Fla.—Amott, Baker & Co., Incorporated has opened a branch office at 121 Southeast 13th Street under the direction of Robert S. Rhodes.

Continued Improvement Expected In Steel Production

By MAX D. HOWELL

Executive Vice-President, American Iron and Steel Institute, New York City

Spokesman for iron-steel details why the industry's dynamic developments will continue in 1959. Notes, however, impact of steel imports, rise of hourly labor costs and fact that total wages and salaries in 1958 did not drop as fast as output.

The uptrend in iron and steel production will continue during 1959. The new year's output of ingots and steel for castings will be 100 to 110 million net tons of ingots and steel for castings, barring unforeseen interruptions, compared with about 85 million tons during 1958 and 117 million tons in the record year 1955.

Max D. Howell

In recent months, the output has come a long way up the recovery road. Monthly production was 55% higher in the month of November as compared to the low point last April. About nine million tons more steel was made in the last half of 1958 than in the initial six months of the year.

The net earnings of the iron and steel industry were only slightly higher in the third quarter of 1958, despite the rising rate of operations. They were up 2% as compared to second quarter of 1958 and down 26% as compared to the third quarter of 1957. In the first nine months of 1958 the profits were 44% below the total for the corresponding part of 1957. These figures are reported to American Iron and Steel Institute by companies representing around 93% of total steel output.

Steel Imports

Recent increases in the amount of iron and steel products being imported into the United States have been the cause of considerable concern, especially in the Seaboard areas. The advantage of total exports over imports has steadily decreased, and the advantage has virtually disappeared in the case of certain individual products.

Undaunted by the somewhat lower production rates, iron and steel companies have gone ahead with a wide variety of capital improvement programs. They are better equipped than ever before. Among the principal new projects are rolling mills of various types and sizes, sintering plants, continuous annealing lines, research centers, another new oxygen steelmaking plant, as well as many other facilities.

Steelmaking capacities have also been increased. As a result, the national steelmaking potential will probably rise to a record high annual level at the start of 1959. The amount of the increase will be announced later.

Labor Costs

Despite the fact that steel production declined 25% in 1958, as compared to 1957, the estimated average hourly payroll cost for wage earners in the iron and steel industry increased about 10% during the same interval. Employment cost per hour worked by production and maintenance employees rose from $3.216 in 1957 to $3.471 during the first half of 1958, and approximately $3.60 during the second half of 1958. As compared with the first half of 1956, just before the current three-year agreements were concluded, wage and related costs per hour worked rose from $2.855 to approximately $3.60 in the latter part of 1958, an increase of 74.5 cents or 26.1%.

Included in these costs are company contributions to pensions, insurance, social security, and supplemental unemployment benefits, which are now more than six times as high as they were in 1949.

The estimated 1958 payroll (wage and salary employees) of companies reporting to American Iron and Steel Institute was over $3.3 billion, as compared to $3.8 billion during 1957. This is a decline of about 13%, against the drop of 25% in steel production between 1957 and 1958. The estimated average employment during 1958 was 522,000.

(The figures above cover employees directly engaged in the making and sale of iron and steel, in companies accounting for 94.9% of the 1958 steelmaking capacity of the industry. They do not include employees in other activities. On the basis of the reports from these companies, it is estimated that the 1958 payroll of the entire iron and steel industry [hourly and salaried employees engaged in the making and sale of iron and steel] was $3.5 billion, while the employment was 550,000.)

Russian Steel Industry

During the past year, much knowledge was gained about the Russian steel industry. An American delegation of steel and iron ore experts visited the Soviet Union. Later a Russian delegation came to the United States.

Although the Soviet steel industry is only about 40% as large as the steel industry in the United States, it is operating at capacity and produced about 60 million net tons in 1958. Furthermore, it has extensive long range plans for expansion. It will play an important part in Russia's determination to defeat the United States in an economic war of great dimensions. Russian steel products can be expected to appear in increased volume in world markets. Most of these exports will be heavy steel products.

In 1958, for the second year, the steel industry, at its own expense, cooperated with the Government of India and The Ford Foundation, at the request of the United States Department of State, in providing practical management training to a substantial number of carefully selected engineer trainees from India, who will operate the rapidly expanding Indian steel industry in the years to come.

Dynamic Developments

During 1958, the iron and steel industry's technological progress went forward at a rapid rate in areas of practical value in the United States. Developments included: the growing use of self-fluxing sinter in blast furnaces; utilization of the vacuum casting process for quality steels; improved methods of beneficiating iron ores; progress in direct reduction processes; increases in the output of steel by the oxygen process; the development of design information for steel structures; improvement of coking coal quality, and growth of continuous annealing of tin plate. Iron ore explorations were widened and new ore sources developed.

Each company in the iron and steel industry is striving to keep abreast of the march of progress. The industry's dynamic development will continue in 1959.

Fane Opens Branch

JERSEY CITY, N. J.—L. L. Fane & Co. has opened a branch office at 2322 Hudson Boulevard under the direction of I. B. Silverman.

Jaffee, Leverton Admit

Jaffee, Leverton, Reiner Co., 39 Broadway, New York City, members of the New York Stock Exchange, on Jan. 15th will admit Jack E. Schuss to partnership.

Sincere Co. Branch

GAINESVILLE, Fla. — Sincere & Company has opened a branch office at 243 West University Ave. under the management of A. Burdett White.

Continued from first page

As We See It

alleged need for "bold" and "imaginative" action without delay — and, we are afraid, without much sober study — certainly do nothing to reassure the thoughtful observer.

Typical Examples

The President himself, with no clear record of loyalty to time-tested principles of sound public policy in such matters as these, has called sharp attention to some of our economic sins of recent years and to the crisis to which they have brought us.* With apparent approval he says that "Federal grants and long-term loans to assist 14 major types of capital improvements in our cities will total over $2 billion in 1960—and this figure is double the expenditure of two years ago." Without coming up with constructive proposals, he points out (this time with obvious uneasiness not to say dismay) that "outlays of the Department of Agriculture for the current fiscal year for the support of farm prices on a very few farm products, will exceed $5 billion. This sum is equal to approximately two-fifths of the net income of all farm operators in the United States. By the end of this fiscal year it is estimated that there will be in government hands surplus farm products worth about $9 billion. And by July 1, 1959, government expenditures for storage, interest and handling of its agricultural inventory will reach a rate of $1 billion per year."

It is particularly unfortunate that the President, despite his strong words about moderation in fiscal affairs, proceeds himself to advocate a number of projects which, whether or not they burden the official budget, can hardly fail to have a similar effect upon the economy if, as is more or less certain, they are carried forward by use of funds which have been arbitrarily created by the commercial banks. It is likewise unfortunate that the President, apparently in a sober mood, has nothing more to say about the behavior of the labor unions than he has said before — mere exhortation to labor and business to act with moderation. Monopolies, whether among wage earners or capitalists, rarely yield to gentle persuasion.

But the big danger this year so far as government is concerned seems to stem not from what the Administration does or does not do, but from the Democratic party whose members are flushed with victory which they think owes its origin to a desire of the rank and file to reinstate much of the New Deal and the Fair Deal—with the word "moderation" omitted from the dictionary. The President has come forward with the promise of a balanced $77 billion budget; the opposition is not even waiting to see what is in the budget message, but is screaming that any such idea is "unrealistic," and those of them to whom a balanced budget is anathema in its own right are stating their determination to proceed, without reference to the budget or what they may do to it, to evolve the sort of "bold" New Deal program they would like to see made official.

All Demand More

In such circumstances virtually every interest or element in the population which already has its hand in the public till is demanding more. Sometimes it is a plea to take into consideration the rise in the cost of living; sometimes it is merely an unblushing appeal for more. Many of the newly elected members of Congress made promises of greater liberality in largesse as keynotes of their political campaigns. If the President is in the event able to keep Federal outlays in fiscal 1960 within hailing distance of $77 billion, it will be hardly less than a miracle. Public hysteria about space explorations and the like bid fair to demand much larger outlays in a field already taking billions of the hard-earned funds of the taxpayers.

But the hazards of the year are by no means confined to Washington even if some of those threatening from other quarters can in one degree or another be attributed to what has and what has not been done in the nation's capital. It is no longer possible to doubt that the upward pressure upon wages is still present and virulent. Labor manipulators were too shrewd to press demands during the depression months when they would be at a great disadvantage, but it is now plain as a pikestaff that they were merely awaiting a more propitious setting for their demands. Meanwhile, they have been active in politics with the result that the election returns greatly discourage any action or word from Washington, barring, of course, some general condemnation of corruption and the like.

New Dealers have already worked out their arguments to defend themselves against charges that by aiding and abetting labor unions, they are fomenting inflation. Inflation, so they now say, is not the result of deficit spending or monopolistic demands of labor unions, but "administrative pricing"—that is to say rather arbitrary setting of prices at a level to yield unreasonable profits. This, of course, can happen only if there is lack of competition, so the story goes, and hence big business must be attacked and made the villain of the piece about inflation. It appears all but futile to point out to these followers of false economic gods that it is in the field of labor that the obvious and bald monopoly exists.

The recession failed to remove the economic ills which caused it. Are we now to permit recovery, already under way, to add to those ills and thus bring future suffering upon ourselves? That is the question which should be faced squarely as the year, 1959, gets under way.

*See "State of the Union Message" starting on page 29.

Bache Group Offers Resistoflex Common

Public offering of 100,000 shares of Resistoflex Corp. common stock at a price of $31¾ per share is being made today (Jan. 15) by an underwriting group managed by Bache & Co.

Of the total number of shares being offered, 50,000 shares are being sold for the account of the company and 50,000 shares for the account of a selling stockholder, Edgar S. Peierls, President of the company.

Net proceeds from the sale of the 50,000 shares of common stock by the company will be added to its general funds and used for various corporate purposes, including making leasehold improvements, purchase and installation of machinery and equipment, and for working capital.

Resistoflex Corp. is engaged principally in the design and manufacture of specialty hose, hose fittings and hose assemblies and other products from high resistance resins for use in systems handling corrosive materials. It also fabricates from similar resins various related products for use in such systems, and provides engineering service for the design and installation of systems in which its products are used. The company's executive offices and principal plant are located in Roseland, N. J.

Upon completion of the current financing, outstanding capitalization of the company will consist of 614,878 shares of common stock, $1 par value.

Outlook for Real Estate Securities Market

By H. R. AMOTT

President, Amott, Baker & Co., Inc., New York City

Mr. Baker reviews past performance of real estate security prices and charts their future. Claims: the immediate outlook is anything but unfavorable; over the longer term values could rise substantially from their present level; and commercial real estate in well situated growing communities still offers strong hedge against inflation.

When I last reviewed the real estate securities market a year ago, the business outlook was poor and we were well on our way into a recession. Certainly, economic conditions at that time left much to be desired. Today, the business climate is greatly improved and for some months now we have been recovering rather rapidly from the recession which had pretty well run its course by the late spring of 1958.

Harry R. Amott

In concluding my summary of the activities of the real estate securities market for 1957, I offered the following comment for the future: "Today, the real estate securities market offers investors a broad selection of buying opportunities at good yields. Moreover, the market's present average level provides a strong base from which large capital gains could be realized in the future. Prudent investors should begin now—while the psychological attitudes of investors, in general, remain depressed—to accumulate real estate equity stocks and bonds of the better grade, well managed realty companies."

While I, of course, have been in no way responsible for the economic recovery that has taken place these past six to eight months, it is a fact that investors who had the foresight and courage to buy real estate securities a year ago have reaped substantial profits.

Cites Real Estate Indexes

Just what does the record show? The Amott-Baker Real Estate Bond and Stock Averages — two sensitive market indices which our firm has compiled and published monthly for more than two decades — tells the story simply and convincingly. In the 12 months ended Dec. 31, 1958, our 19th issue real estate stock index recorded an average gain of 30.2%. For the same period, our real estate bond index (comprised also of 19 representative issues) moved ahead 6.2%. During this period the average price of the 19 stock issues climbed from 33½ on Dec. 31, 1957 to 43⅝ on Dec. 31, 1958, while the bond averages recorded an advance of from $328 per $1,000 bond at the beginning of the year to $380 at the close of 1958.

In the classification by type of property, the percentage changes for the year were: six hotel stocks —up 41.4%; six apartment and apartment hotel stocks—up 41.8%; seven office building stocks—up 12.2%; three hotel bonds — up 4.4%; four apartment hotel bonds —up 2.5%; four apartment building bonds—up 3.9% and eight office building bonds—up 12.2%.

Among the more active individual stock issues those which recorded the sharpest price gains in 1958 were as follows: Hilton Hotels Corporation common—up 16⅞ points to 33; Sheraton Corporation of American common—up 8¾ points to 18¾; Statler Hotels Delaware Corp. common—up 4⅝ points to 10; Knott Hotels Corporation common — up 5¾ points to 22; General Realty & Utilities Corp. common — up 5½ points to 20⅝ ex a liquidating dividend equivalent to approximately 3 additional points; Lexington Avenue & 42nd Street Corp. (Chanin Building, New York) class D common—up 9¼ points to 24½, and 551 Fifth Avenue "Units"—up 9½ points to 53.

Among the real estate bond issues, some of the largest year-to-year gains were recorded by the following: Chanin Building second mortgage 2s, 1970, with stock—up 25 points to 122; Chanin Building third mortgage 1s, 1970, with stock—up 21 points to 122; 165 Broadway Building first 4½s, 1958—up 10 points to 80; Kramon Development Corp. first fee and leasehold 4½s, 1962—up 8 points to 87; Madison 52nd Corp. first leasehold 5s, 1962—up 6 points to 90 and Allerton New York Corporation income 5s, 1965, with stock—up 5 points to 97.

The sharp recovery in real estate security prices in 1958 reflects the early awareness of investors generally to the demise of the short-lived business recession, a prudent evaluation of the stability and vitality of well situated real estate in our economy and the longer term effects of our chronic inflation problem.

Near and Future Outlook

While it is problematical that real estate securities prices will continue their upward climb at the same rate in 1959 as in 1958, the immediate outlook is anything but unfavorable and over the longer term values could rise substantially from their present level. Those who are concerned with the so-called excess capacity in our economy are overlooking the needs of the future and the great period of expansion that lies ahead. Our rapidly growing population is but one indicator of the increased amounts of consumer durable goods, additional housing and business facilities that will be required. Add to this the vast technological changes that are going on in business and manufacturing, the necessary increase in our public works programs, the huge military budget that must be maintained and it is not difficult to foresee that the future curve of our economic growth, apart from temporary periodic adjustments, must be upward.

Commercial real estate, well situated in growing communities, still provides one of the strongest hedges against the spectre of future inflation.

Helen Slade Sanders Scholarship Created

A $14,000 gift in memory of Helen Slade Sanders, a founder and Editor of "The Analysts Journal," a financial magazine, will be used to create a scholarship for financial writing in Columbia University's Graduate School of Journalism.

The gift was presented to the school by L. Hartley Smith, on behalf of the National Federation of Financial Analysts Societies, which publishes "The Analysts Journal." Mr. Smith is President of the national federation. The income is to be used annually to assist a student in the School with grounding in economics and a particular interest in financial journalism.

Mrs. Sanders, who died last July 18, attended the School of Journalism and other schools at Columbia. As a financial writer and analyst under the name of Helen Slade, she wrote widely for financial magazines and appeared in numerous panels and seminars. One of the last of these was her appearance on May 28, 1958, in the School's first annual Journalism Forum.

Mrs. Sanders led in establishing "The Analysts Journal" in 1944, and remained its managing editor until her death. She was the wife of Henry S. Sanders, Vice-President of the Bankers Trust Company.

The text of the resolution by the federation in presenting the gift follows:

"The Officers and Executive Committee of the National Federation of Financial Analysts Societies, acting on behalf of the entire Directorate and Membership, and desiring to give tangible evidence of their love and esteem for Helen Slade Sanders, do hereby create the Helen Slade Sanders Memorial Scholarship in the Graduate School of Journalism at Columbia University in the City of New York. The principal amount of this Scholarship is to be $14,000. It is the wish of the Executive Committee that the income on this principal amount be used annually, in perpetuity, for a scholarship to assist a worthy graduate student with good grounding in economics and with a particular interest in financial journalism."

IDAC Appoints Walker to Staff

TORONTO, Canada — The Investment Dealers' Association of Canada has announced the appointment of William Stuart Walker to the permanent staff at the head office in Toronto.

Don't Force American Labor To Start a Political Party

By GEORGE MEANY*
President, American Federation of Labor and Congress of Industrial Organization, Washington, D. C.

An aroused Mr. Meany minces no words in outlining labor's views of certain domestic events and threatens, as did his predecessor Gompers, to form a labor political party if the trade union movement could not achieve its legislative objectives in any other way. The union leader takes exception to the charges of "Socialism"; outlines current labor goals in the new session of Congress; and advises business to follow the old method of political activity.

We are facing a terrific challenge, a challenge to our country and a challenge to the trade union movement. Because in the very nature of things in a democracy such as we have here in the United States a challenge to the nation is without question a challenge to the life of the trade union movement, because this type of movement cannot exist, it cannot be maintained, under any other type of government than the type we have here in the United States.


George Meany

Everything we do, every decision we make, must be made in keeping with the tradition of the American trade union movement.

*From a talk by Mr. Meany before the Merger Convention of the New York State AFL-CIO, New York City.

And to be a good trade unionist you must be first of all a good citizen. Every action that we take must be related to the over-all challenge which our country faces, a military challenge, a scientific, an economic challenge, a challenge that not only confronts the United States of America, but confronts the entire free world.

There is no use wasting time trying to emphasize that this challenge exists. Every intelligent man and woman knows that we are facing this threat from a dictatorial form of government, and that this threat is directed to the United States of America, as the leading nation of the free world.

Naturally the question occurs at a time like this, just what is labor's role? Just what is labor's role as representative of millions of American citizens, in meeting this challenge, in making its contribution to meeting this challenge?

The best contribution that we can make here at home to meet this challenge, to strengthen and maintain the democratic way of life, is to carry on the work of the trade union movement for the simple, sound objectives to which our movement has been dedicated for the last 75 years, to make this a better America. And in what way can we better do that job — of making this a better America—than by improving the standards of life of those who work for wages, in other words, for the people we represent.

Labor's Role in the Past

It would be idle, perhaps, to talk of a record of achievement at a time like this, but I think we should look back a little, if for no other purpose than to gain what we can from the experience of the past. Yes, we have made democracy work. We have made a contribution to the democratic way of life by raising the standards of those who work for wages. This cannot be denied by anyone who knows the history of America for the last 75 years. If we have better standards of life, if our people are better clothed and better housed, if our children are better educated than are the children of workers in the rest of the world —and they are—this did not come about as a gift from political leaders or as a gift from the so-called great captains of industry, who took part in developing America in the days of the so-called industrial revolution. This record of achievement, this building of a higher standard of life, is the record of the American trade union movement. It is in the record that we did not receive higher wages as a gift—the employers did not gather together in a smoke-filled room and take the position that it was good for America to pay higher wages. They paid higher wages because we forced them to pay higher wages and we forced them to recognize the fact of American labor.

So as we turn our face to the future, as we turn our face to the problems that will come up tomorrow, next month and next year, keep in mind the purpose of this movement is still what it was 75 years ago. The No. 1 objective of the trade union movement is to build up the standards of life and work of those that we represent.

We have many types of activities, we go into many fields: legislation, political, so-called social contacts, cooperation with other organizations; but every one of these activities is directed toward the simple, sound purpose of the trade union movement of improving the life and building up standards for people.

As we face the future and we look particularly to labor's action on the domestic scene — yes, of course we have our international activities, but I am going to just direct my attention to the domestic problem; we have our international cooperation through the ICFTU, and we are making our contribution for strengthening democracy in other lands, building up standards of people there—but what is our problem here at home?

Minimum Wages and Other Domestic Needs

Well, in the legislative field we have the question of minimum wages. The Minimum Wage Law went into effect just 20 years ago last week, and today we have a minimum wage of $1. We still have millions of workers who should be covered by this law and who are not covered. This is a case where the trade union movement is fighting for the people of the country as a whole, because very, very, very few of our members have ever been affected directly by the Minimum Wage Laws.

But the indirect effect of millions of people at substandard wages is something that we know about and something which we are concerned about. Our program is to raise the minimum wage to at least a dollar and a quarter, and to bring in to coverage at least 20,000,000 more people who should be covered under that law.

We are for better housing. We aren't satisfied that millions of people have been moved out of slums, because there are many million more who still live in slums. So the labor movement is dedicated to a program of better housing through cooperation with state, local and Federal government.

We are for better schools, we are for giving the children of America, all the children of America, a decent place in which to be educated. So we are for Federal aid to education.

In this nuclear and atomic age the children of America, the boys and girls of high school age, cannot make their contribution to the future of this great country unless their opportunities for higher education are expanded, so that we can meet the challenge that presents itself in the scientific field, so that we can make America better by making these children better scientists, better engineers, and so forth.

Frequent Charge of Socialism

Now, all of these things which I have just mentioned are characterized by those who oppose us as socialistic. It is a very funny thing, this socialistic business. If you don't like something the other fellow proposes, you say, "Well, that's socialism, that's just a step down the road to Marxist Communism."

Well, I would like to point out that every single achievement of the trade union movement in the past 75 years which has made life better for people, for workers and for the community, every single one of these things was opposed as being socialistic by the NAM, and by those who refuse to learn, refuse to believe that there is a tomorrow, and who prefer to live in the past.

Take workmen's compensation. Every worker in the United States is today covered by workmen's compensation. That was opposed when labor fought for it way back at the turn of the century. It was opposed as being socialistic, something that was European in concept, something that was foreign to the so-called American idea of individual reliance and individual initiative, something that was opposed to this so-called rugged Americanism.

Yes, in New York State the State Manufacturers Association went so far as to have the law declared unconstitutional after it was passed by the Legislature and signed by the Governor. The State Federation at that time spearheaded a drive, in 1911, I believe to change the State Constitution so that the law could be repassed. This, of course was socialism.

Is there any employer today, in his right mind, or any public official who would want to do away with workmen's compensation, which merely states, as a principle of government, that a worker's loss of income through accident or injury on the job is a proper charge against industry?

The eight-hour day, when it was fought for by the ITU spearheading the drive some 50 or 60 years ago, that also was socialistic. In fact one employer, quoting from the Bible, said it was all wrong to fly in the face of the Bible, which said "Six days thou shalt labor and rest on the seventh."

When we tried to eliminate the sweatshops, that was more socialism. When we tried to cut down on industrial homework, tried to keep children in the homes and in schools and away from the factories, that also was socialistic.

Yes, merely to install a fan to take harmful dust out of a factory, to make that compulsory under the law, that, too, was socialistic.

Well, we have heard enough of this socialistic charge. It gets to the point where you pay no attention to it at all any more. It is all right to use public money to furnish right-of-ways for the railroads to the West Coast, so that this country could expand, it was

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Our Changing Export Position And Untenable Trade Policy

By HOWARD S. PIQUET*
Senior Specialist in International Economics
Legislative Reference Service, Library of Congress,
Washington, D. C.

Tariff consultant to Congress and author measures the effect of European Common Market tariff changes to commence Jan. 1 on U. S. exports; notes new import problems for U. S. caused by expanded American investments in western Europe; and reproves our foreign trade policy which, he claims, since 1934 has emphasized tariff-reduction rather than an increase in imports. Mr. Piquet ascertains that our self-contradictory policy of "avoidance of injury" has now reached an untenable point where it no longer can continue, and recommends two of three alternatives said to be open to us. Would provide "adjustment assistance" to labor and capital displaced by imports

The European Common Market And U. S. Exports

One of the advantages of making long-term prognostications, compared with analyzing what already has happened, is that one does not have to do the job over again every few months. The observations that were made at the February meeting of the American Management Association are no more, and no less, valid than they were at that time.

Howard S. Piquet

Therefore, I shall summarize what I said then. Those who wish greater detail can refer to pages 124-159 of the American Management Association's volume "The European Common Market: New Frontier for American Business," published last July.

The first American economic groups to be affected by the establishment of the Common Market, of course, will be exporters. Like most preferential systems, the ECM will discriminate against our commerce. The industries most likely to be affected—the export industries—tend to be our healthiest industries and are better able to adjust to changing economic circumstances than other industries. The fact that it will be 12 to 15 years before the Common Market attains its objective of free trade among the six member countries will give our industries time in which to adjust to the new tariff structure.

The importance of the European Common Market is indicated by the fact that United States exports to the area in 1956 amounted to $2.8 billion and accounted for 15% of total U. S. exports. In the same year the six countries constituting the ECM had a population of 162 million and produced goods and services equaling slightly more than 30% of the gross national product of the United States. The same countries accounted for more than one-fifth of the total foreign trade of the free world.

The prosperity of a country, as Adam Smith observed 182 years ago in his classic *The Wealth of Nations*, depends in large part on the breadth of the market for its products. Just as the huge free trade area of the United States has facilitated the tremendous economic growth of our own country, so it is to be expected that the creation of a large free trade area in western Europe will stimulate the growth of that continent. Barring another world war, or other calamity, it is to be expected that Western Europe will attain great economic growth in the next few decades.

Although, in the short run, the tariff discriminations that will be brought into being by the Common Market will result in the displacement of certain United States exports, these displacements will be outweighed if western Europe expands its over-all economy and offers the United States a larger total market. Since the common external tariff is to be based on the average rates of the six countries, some rates will be raised while others will be lowered. Generally speaking, the tariffs of West Germany and Benelux will be increased, while those of France and Italy will be decreased.

United States exports to all countries totaled $15.4 billion in 1955. Of this amount, $4.1 billion (27%) went to Europe—$2.1 billion to the ECM countries and $2.0 billion to the other countries.

Effect Upon U. S. A. Exports

About 40% of the $2.1 billion of U. S. exports to the ECM countries will be *unaffected* by the new tariff rates. Among such exports are coal, iron and steel scrap, copper ore and concentrates, and raw cotton. For the most part the exports in this unaffected sector consist of materials which cannot be obtained within the six member countries themselves and which are not competitive with European output.

About 27% of United States exports to the six ECM countries consist of agricultural products that *might be affected* by various agricultural programs. Included in this sector are grains and grain preparations, vegetable oils and fats, and oil-seeds. What the effects of the central body provided for by the ECM Treaty to regulate agricultural prices, to subsidize production, and otherwise protect domestic agriculture will be on American agricultural exports is not clear. The fact is that these products are presently being exported, in spite of attempts by practically all countries to protect their own domestic agriculture.

Other exports to the ECM countries—about 32% of the total—undoubtedly *will be affected*. These are the lines in which American industry and European industry are most directly competitive. They consist principally of manufactured goods such as industrial machinery, electrical machinery, machine tools and automobiles, and of certain kinds of chemicals.

The "Affected" Sector

More than half the exports of these goods go to West Germany, Belgium - Luxembourg, and the Netherlands, countries which will increase their tariffs under the ECM Treaty.

Machinery of various kinds accounts for the bulk of the exports that will be affected by the new tariffs. Total imports by the ECM countries of the four main machinery groups (industrial machinery, electrical machinery, metal-working machines and machine tools, and office machines) amounted to over $1.5 billion in 1955. Imports from the United States totaled a little over $300 million, whereas imports from the ECM countries themselves amounted to $765 million. Imports of machinery from all other countries, including the United Kingdom, totaled almost $500 million.

Germany is by far the largest European producer and exporter of machinery, with the continental market taking over 50% of all her machinery exports. Her total net exports of industrial machinery to all countries, in 1955, exceeded $1 billion.

In none of the six countries do imports of industrial machinery from the United States equal either imports among the ECM countries themselves or imports from all other nonmember countries. Only in West Germany, which is a net exporting country, do imports from the United States come close to equaling imports from the ECM countries.

The principal barrier to trade in some of the more specialized kinds of machinery is not so much the tariff as it is considerations of quality and market taste. Furthermore, many buyers prefer goods that are produced in their own country, even if it means paying a somewhat higher price. In some lines and in some countries quotas are still a major obstacle to imports. An illustration is the French quota on imports of piston engines and paper-box machinery.

ECM imports of electrical machinery from the United States are small compared with imports among the ECM countries themselves, accounting for slightly more than half the imports from all other nonmember countries in 1955. Of greater importance than the tariff is the preference of engineers in consuming countries (as in the United States) for products of their own domestic industries, with which they are familiar, as well as governmental requirements that nationalized power and transport companies use domestically-made equipment.

The future consumption demands for electrical machinery in the ECM countries will be determined by the increased consumption of electricity and there is every reason to believe that it will grow steadily. It seems rather doubtful, however, whether the United States can expect a relatively large increase in its exports of electrical machinery to the ECM countries, although it is probable that, in absolute terms, its exports to the area will increase.

Tariffs on Autos

European tariffs on automobiles are relatively high, even in West Germany and Benelux. The average tariff on automobiles in the six ECM countries is 28%, compared with 8½% in the United States. American exports of automobiles have been declining steadily since the 1920's, as American companies have surmounted foreign trade barriers by constructing their own factories and assembly plants abroad.

Imports of automobiles among the ECM countries themselves are almost three times as large as imports of automobiles from the United States.

By 1970, according to a study made by the *Economist Intelligence Unit* (London), the German share of the European import market for passenger cars will have increased from 48% to 62%, that of France from 14 to 18%, and that of Italy from 10 to 11%, while the proportion supplied by the United States and Canada will have declined from 12 to 4%.

The German chemical industry, which is characterized by large-scale production, is on an export basis. As tariff abolition within the Common Market area progresses German firms should find themselves in an increasingly stronger position in French, Italian, and other ECM markets. American chemical companies undoubtedly will encounter keener competition in western Europe than ever before. In the short run, the American chemical industry stands to lose from the creation of the ECM. In the longer-run, however, this may not be the case.

In any event, there will be strong incentives for American chemical and other industries to jump the tariff barriers of Europe by establishing foreign subsidiaries, following the pattern set by the automobile industry. In the technical language of economic theory there will be a tendency for international "product mobility" to be supplemented by "factor mobility."

New Import Problems

It is probable that expanded American investment in western European countries will create new import problems for the United States. As more American firms establish branch plants in Europe a greater proportion of U. S. imports from the area will come

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*An address by Mr. Piquet before the International Management Seminar of the American Management Association, New York City. The opinions expressed in this address are those of the author alone and are not to be attributed to the Library of Congress or to any other organization.

The New Inflation Ahead

By FRAZAR B. WILDE*
President, Life Insurance Association of America
President, Connecticut General Life Insurance Company
Director, Committee for Economic Development and Chairman of the National Commission on Money and Credit

Insurance industry's spokesman issues a monition about inflation obtruding from several fronts. Mr. Wilde asserts that the challenge of inflation is "not one that we can continue to talk about and not do somehting about" and, in explaining why the present superficially peaceful scene is a paradox, outlines the alarming threats and danger points confronting us. Prior to discussing dangers and problems of inflation, Mr. Wilde deals with some of the specific matters concerning the insurance industry.

While some major problems confronting our nation are Russian made or Russian influenced, we must face up to the fact that our own business has certain problems for which we alone are reponsible. One that seems especially unneeded is the attack made upon the fundamental concept of our business; namely, the level premium theory of life insurance and its advantages. We had this problem in the '30s, created partly by the depression and partly by individuals trying to exploit the cash value reserves of our policyholders for the benefit of the "twister." The companies, in combination with responsible insurance departments, came to the rescue of the policyholders and the standards of the business. In a few years the fallacy was exposed and sound selling on a constructive basis re-established.

Frazar B. Wilde

Now, to the amazement of most of us a relatively few companies are unintentionally giving aid and comfort to the same "twisting" technique. The vehicle provided is the high - cash - value-in-early-years policy. The arguments of the twister are the old-discredited ones of the 1930's. Because the arguments are based on discrediting level premium insurance and are just as false as they ever were, this type of selling will not long survive. Meanwhile, many policyholders will suffer serious losses, and the business will lose stature with many people. Special policies to meet special situations are proper. Special policies which lend themselves to misrepresentation, misunderstanding, maximum borowings and unwarranted tax avoidance, and which may be inequitable to other policyholders are not calculated to further the interests of the business or in the long run the individual company which enjoys a short-run sales success at the expense of its future reputation.

In my opinion this type of practice, if continued, will lead to a rising tide of protests by insurance departments—or even by the Federal Government, which seems to be looking for an opportunity to override state supervision—and the answers which they are likely to furnish may not be happy ones for the business of life insurance.

*From an address by Mr. Wilde before the Life Insurance Assn.'s 52nd annual meeting, New York City.

Federal Taxation

This industry scarcely needs to be told that Federal taxation of life insurance companies under a fair, permanent formula is one of our greatest problems and needs. The fact that this has been a problem for 20 years and longer has led to the conclusion on the part of too many people that we, as a business, have been skillfully maneuvering to avoid our fair contribution to the national budget. We know that the facts are quite to the contrary. That we have not clarified the situation has created another of the problems of our own making. A public misconception that has not been overcome is unfortunately just as serious in its impact as though it were the truth.

Two things we can do. The first is to find a program which is acceptable to the Congress and to the Treasury. This will obviously do the most good in convincing the public that we are good citizens.

In this connection let us say on our behalf that a strong, sincere effort has been made in the last six months to do just this. Several highly competent groups from our business have spent many hours in Washington and other places working with various people, including government staff men, to try to evolve a solution. We have undoubtedly contributed to a better understanding of the problems, and we are now at a point where there is some ground for belief that a solution may be found. Any formula, no matter how plausible, will require recognition of the special problems arising in our business both in respect to its long-term accounting methods and its thrift aspects.

If and when we do reach a solution, we will have a continuing second chore; that is, to do a better job of enlightening the public and their legislative representatives about this special nature of our business. Furthermore, the exceptionally high taxes imposed upon our business by state laws must always be remembered in developing understanding of the reason why Federal taxation cannot follow the typical pattern.

Business Political Participation

Some companies in our business have made progress in meeting a national problem which is not unique with us; namely, the relationship between all corporations and politics in a democracy.

In recent years there has been an increasing tendency for corporation officials to speak out on the subject of participation in politics and the responsibility of its officers and employees as citizens in a democracy.

This is fortunate reversal of a policy which has prevailed for many years in too many companies—a policy of frowning upon political activity by employees, from the president down. This policy is a denial of the major responsibility of citizenship in a democracy. The form and degree of individual participation are certainly up to the individual. The corporation's part is to be sympathetic and nonpartisan. The idea that executives and other employees of corporations should make some of their time and energy available to be useful citizens operating with the party of their choice is practical democracy and very much needed.

If corporations do not encourage political participation, and they have rarely done so in the last 20 years, the effect is to turn the responsibilities of citizenship over to groups which may not understand the problems of business or which have been propagandized into the belief that business and industry are their enemies.

I must turn now to a matter of deep concern. Inflation has been mentioned from this platform on numerous occasions. You have been exposed to it in all arenas. The question arises: Can anything more be said that is either useful or new? Perhaps not, but at least let us try.

The present situation is a paradox. Today the general price level is not rising. But when we come to look at this superficially peaceful scene it is filled with threats. Those threats arise in several spheres.

First, is the threat of Russia, which always seems to come up with something new just when we begin to hope for a period of relative relaxation. Last year it was the Sputnik. This fall there is the new seven-year plan and the Berlin situation — perhaps a new atomic airplane.

Our reaction, and very properly, is to review our military program to determine whether it is adequate. Total defense expenditures have been increased. The present indications are that in the next fiscal year they will be further increased. The Congress, as it has in the past, may add to the Administration's military budget further items or dollar increases in present items. The military budget and the complementary budget, the foreign aid funds, have the dual impact of increasing government spending and increasing the price level. Furthermore, these expenditures are largely non-economic in a direct sense. They do not produce assets which have immediate earning power. Defense spending is bound to be costly. We can and do accept this burden to the maximum extent necessary. On the other hand, there is no reason for us to panic and throw away the book of common sense and offer a blank check to the military simply because items are labeled for defense.

Another concern is relatively new; namely, today, after a state or national election, contrary to our historical pattern when candidates often ran on economy platforms, many bills are introduced for the enlargement of public services or the addition of new ones; in other words, bills which look to government to do more things for more people, all of which must cost money. While every bill calling for increased expenditures in every state legislature and in the national Congress will not be passed, it is likely that enough of them will be passed to increase the total volume of public spending.

The third concern is the strong evidence that every organized group in the country is urging its leaders to produce a wage increase. Even is those cases where contracts have been set for periods running into the future, there are many cases of reopening clauses, and wage rates are being renegotiated. These wage increases are being requested in part on the basis that the increased cost of living in the country, even though it hasn't changed in recent months, has made increased pay rates necessary.

If this situation is added up even on a reasonably optimistic basis, the outlook for inflation can be quite alarming.

This challenge of inflation is not one that we can continue to talk about and not do something about. Inflation involves a radical, unfair, and dangerous redistribution of our national product. It

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State of the Union Message

Pres. Eisenhower submits to Congress what he describes as a realistic balanced budget for a year that is expected to be the most prosperous in our history. Concerned about the cost of national defense, the President calls for balance and perspective in planning our defense. Turing to the domestic economy, he emphatically declares war on inflation and looks forward to the time when tax reform can be accomplished.

President Eisenhower's seventh annual State of the Union Message to Congress declares he intends to appoint a committee to chart our long-term national goals extending five to ten years ahead, reminescent of ex-President Hoover's Social Trends Committee of 1931. The President believes such long-term guides are necessary to spur us on to steady progress. Turning to immediate domestic and foreign problems, the President importunes against extremes in national defense measures and recommends a "sensible posture of defense"; also blue-prints an end to wage-price spiral and deficit financing, and calls for certain civil rights and labor legislation.

Pres. Eisenhower

The message, delivered Jan. 9 at the opening Session of the 86th Congress, follows:

This is the moment when Congress and the executive annually begin their co-operative work to build a better America.

One basic purpose unites us: To promote strength and security, side by side with liberty and opportunity.

As we meet today, in the 170th year of the Republic, our nation must continue to provide—as all other free governments have had to do throughout time — a satisfactory answer to a question as old as history. It is: Can government based upon liberty and the God-given rights of man, permanently endure when ceaselessly challenged by a dictatorship, hostile to our mode of life, and controlling an economic and military power of great and growing strength?

For us the answer has always been found, and is still found in the devotion, the vision, the courage and the fortitude of our people.

Moreover, this challenge we face, not as a single powerful nation, but as one that has in recent decades reached a position of recognized leadership in the free world.

Uneasiness in the World

We have arrived at this position of leadership in an era of remarkable productivity and growth. It is also a time when man's power of mass destruction has reached fearful proportions.

Possession of such capabilities helps create world suspicion and tension. We, on our part, know that we seek only a just peace for all, with aggressive designs against no one. Yet we realize that there is uneasiness in the world because of a belief on the part of peoples that through arrogance, miscalculation or fear of attack, catastrophic war could be launched.

Keeping the peace in today's world more than ever calls for the utmost in the nation's resolution, wisdom, steadiness and unremitting effort. We cannot build peace through desire alone. Moreover, we have learned the bitter lesson that international agreements, historically considered by us as sacred, are regarded in Communist doctrine and in practice to be mere scraps of paper. The most recent proof of their disdain of international obligations, solemnly undertaken, is their announced intention to abandon their responsibilities respecting Berlin.

As a consequence, we can have no confidence in any treaty to which Communists are a party except where such a treaty provides within itself for self-enforcing mechanisms. Indeed, the demonstrated disregard of the Communists of their own pledges is one of the greatest obstacles to success in substituting the rule of law for rule by force.

Yet step by step we must strengthen the institutions of peace — a peace that rests upon justice — a peace that depends upon a deep knowledge and clear understanding by all peoples of the consequences of failure in this great purpose.

I

To achieve this peace we seek to prevent war at any place and in any dimension. If, despite our best efforts, a local dispute should flare into armed hostilities, the next problem would be to keep the conflict from spreading, and so compromising freedom. In support of these objectives we maintain forces of great power and flexibility.

Our formidable air striking forces are a powerful deterrent to general war. Large and growing portions of these units can depart from their bases in a matter of minutes.

Missile Program Accelerated

Similar forces are included in our naval fleets.

Ground and other tactical formations can move with swiftness and precision, when requested by friendly and responsible governments, to help curb threatened aggresison. The stabilizing influence of this capacity has been dramatically demonstrated more than once over the past year.

Our military and related scientific progress has been highly gratifying.

Great strides have been made in the development of ballistic missiles. Intermediate range missiles are now being deployed in operational units. The Atlas intercontinental ballistic missile program has been marked by rapid development as evidenced by recent successful tests. Missile training units have been established and launching sites are far along in construction.

New aircraft that fly at twice the speed of sound are entering our squadrons.

We have successfully placed five satellites in orbit, which have gathered information of scientific importance never before available. Our latest satellite illustrates our steady advance in rocketry and foreshadows new developments in world-wide communications.

Warning systems constantly improve.

Our atomic submarines have shattered endurance records and made historic voyages under the North Polar Sea.

All this is given only as a matter of history; as a record of our progress in space and ballistic missile fields in no more than four years of intensive effort. At the same time we clearly recognize that some of the recent Soviet accomplishments in this particular technology are indeed brilliant.

Under the law enacted last year the Department of Defense is being reorganized to give the Secretary of Defense full authority over the military establishment. Greater efficiency, more cohesive effort and speedier reaction to emergencies are among the many advantages we are already noting from these changes.

Costly Armaments

These few highlights point up our steady military gains. We are rightfully gratified by the achievements they represent. New and greater developments preoccupy the major portion of the Nation's scientists. But we must remember that these imposing armaments are purchased at great cost.

National security programs account for nearly 60% of the entire Federal budget for this coming fiscal year.

Modern weapons are exceedingly expensive.

The over-all cost of introducing Atlas into our armed forces will average $35,000,000 per missile on the firing line.

This year we are investing an aggregate of close to $7,000,000,000 in missile programs alone.

Other billions go for research, development, test and evaluation of new weapons systems.

Our latest atomic submarines will cost $50,000,000 each, while some special types will cost three times as much.

We are now ordering fighter aircraft which are priced at 50 times as much as the fighters of World War II.

We are buying certain bombers that cost their weight in gold.

These sums are tremendous, even when compared with the marvelous resiliency and capacity of our economy.

Such expenditures demand both balance and perspective in our planning for defense. At every turn, we must weigh, judge and select. Needless duplication of weapons and forces must be avoided.

Threat Is Continuous

We must guard against feverish building of vast armaments to meet glibly predicted moments of so-called "maximum peril." The threat we face is not sporadic or dated; it is continuous. Hence we must not be swayed in our calculations either by groundless fear or by complacency. We must avoid extremes, for vacillation between extremes is inefficient, costly, and destructive of morale. In these days of unceasing technological advance, we must plan our defense expenditures systematically and with care, fully recognizing that obsolescence compels the never-ending replacement of older weapons with new ones.

The defense budget for the coming year has been planned on the basis of these principles and considerations. Over these many months I have personally participated in its development.

The aim is a sensible posture of defense. The secondary aim is increased efficiency and avoidance of waste. Both are advanced by this budgetary plan.

Working by these guide lines I believe with all my heart that America can be as sure of the strength and efficiency of her armed forces as she is of their loyalty. I am equally sure that the nation will thus avoid useless expenditures which, in the name of security, might tend to undermine the economy and, therefore, the nation's safety.

Collective Security System

Our own vast strength is only a part of that required for dependable security. Because of this we have joined with nearly 50 other nations in collective security arrangements. In these common undertakings each nation is expected to contribute what it can in sharing the heavy load. Each supplies part of a strategic deployment to protect the forward boundaries of freedom.

Constantly we seek new ways to make more effective our contribution to this system of collective security. Recently I have asked a committee of eminent Americans of both parties to reappraise our military assistance programs and the relative emphasis which should be placed on military and economic aid.

I am hopeful that preliminary recommendations of this committee will be available in time to assist in shaping the mutual security program for the coming fiscal year.

Any survey of the free world's defense structure cannot fail to impart a feeling of regret that so much of our effort and resources must be devoted to armaments. At Geneva and elsewhere we continue to seek technical and other agreements that may help to open up with some promise, the issues of international disarmament. America will never give up the hope that eventually all nations can, with mutual confidence,

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Business and Finance Speaks After the Turn of the Year

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spending beyond income is inexcusable. Such, of course, can only result in further increase of the national debt. Such increase gradually erodes away faith in our currency, which is inflationary in itself, but also since a large amount of the debt is supported by short-term bank loans, it in turn serves as a base for further expansion of credit by the banks holding the notes.

The erosion of faith in the dollar should have been dramatically brought home to those who have not been able to see it before in the announcement of the free convertibility of European currencies. The announcement of this policy by the nations involved, instead of causing a drop in their currencies in relation to the dollar, as would have been the case a few years ago, resulted rather in their remaining firm.

Furthermore, in the case of the pound, its convertibility is at a rate substantially above the low limit of the established range. The German deutschmark is one of the strongest European currencies, and that has come about in the relatively short time since World War II despite the industrial and economic devastation which Germany suffered in that war. Indeed, today Germany is largely a creditor nation for the rest of the European economy.

If any further indication is needed of decreased world faith in our economy, it can be found in the huge drain on our gold reserve which has been made by foreign nations and nationals within the past year. The situation has become sufficiently serious so that there is some alarm in regard to the volume of our currency which can be supported if the drain continues.

In stating that the chief problem of the present Session of Congress would resolve around economic matters, I am by no means unmindful of the Soviet Union's challenge to us in the space age. A year ago when Congress convened it was in the cold awakening light provided by Sputnik I. Today, it is in the re-awakening light of Lunik I, after a short nap in which we thought we had somewhat closed the gap revealed by Sputnik. After my many years as ranking minority member on the Armed Services Committee, and my year of experience on the new Congressional Space Committee, I am completely aware and alerted to the military, technical and propaganda value of the Russian achievements.

Our response to the Russian challenge, although military and scientific in nature, is inextricably a part of the economic picture. We certainly must provide the funds to meet the challenge, but in so doing the financing must be on a long-range basis which we can successfully maintain into the foreseeable future rather than in any deficit spending crash program. Any gap in our relative technical superiority to the Soviet Union must indeed be closed as soon as possible but it will have to be on a continuing basis rather than on a one-short effort, and then a let-down.

In the matter of technical superiority we must be pre-eminent on all fronts as well as on the front involving military superiority. Within the past year Khruschev, on behalf of the Soviet Union, has declared complete and total economic war on us in his effort to control the world. It goes without saying that ideological dependence often follows hard on the heels of economic dependence and the struggle for world domination can be as well won by the Soviet Union through the economic front as through the military. We must no longer underestimate the effect of being able to channel the productive capacity of a slave population in an attack on vulnerable economic sectors of a free world, particularly if that slave population is fed an occasional increased portion of consumer goods and is given to drink the heady wine of breathing national achievement.

There is no cause for alarm or even pessimism in the outlook. I have merely candidly stated the full gravity of the problem ahead of us and I have done so with the full confidence gained from past experience that the American people will rise to the necessary output of energy and effort when they have the benefit of the whole picture and a clear blueprint of the part they must play in it. They again will demonstrate what has always been true down through the pages of history, that free men in the defense and preservation of their freedom will always prevail over those who are slaves.

MORE STATEMENTS IN SUBSEQUENT ISSUE

Quite a number of statements either were received too late for publication in today's issue, or for mechanical reasons, could not be accommodated herein. These will appear in the "Chronicle" of Jan. 22.—EDITOR.

BENJAMIN ABRAMS

President, Emerson Radio and Phonograph Corp.

All indications point to a material improvement in sales and profits for our industry. Signs of such improvement began to appear in the latter months of 1958 with sales and earnings materially better than for the same period in 1957. This had the effect of reducing inventories in the hands of manufacturers, distributors and dealers and therefore, in itself, should give the industry a good start in 1959.

Benjamin Abrams

Another factor which points to an improvement in sales for the new year is the wide interest in stereophonic instruments, which were first introduced in the latter part of 1958 and which met with almost universal acceptance. The unprecedented demand was greater than the supply and it is expected that this item alone will contribute no less than $500,000,000 in sales in 1959.

The sales of television receivers are expected to rise by about 20% over last year. This is based upon the general improvement in economic conditions, as well as the interest on the part of the buying public in higher priced instruments. An increase in the sale of radios is likewise expected, particularly in those incorporating transistors.

As in 1958, military business in this industry will show a further increase in order to meet the greater demands of our Defense Department.

The improved operating results of Emerson for 1958 are expected to be bettered in 1959.

MALCOLM ADAM

President, The Penn Mutual Life Insurance Co.

In comparison with many other lines of endeavor, the life insurance industry had a very good year in 1958 as measured by the normal standards of new insurance written, overall earnings and dividend payments to policyholders. Mortality rates, although somewhat affected in the early months by the Asian flu, continued at a satisfactory low level, and a healthy increase in insurance in force was achieved.

Malcolm Adam

As we enter 1959, general business continues its upward swing with optimism the prevalent note in forecasts. Based on present trends, the prospects are excellent for a continued steady improvement during the months to come.

Although it is difficult to find another year in the financial history of this country in which interest rates declined so sharply and then rose so rapidly as in the past 12 months' period, it was an excellent year for the investment of life insurance company funds.

Investment earnings of the life insurance companies for 1958 will show an increase over those for the previous year, and this trend should continue in 1959, due to the higher yielding investments put on the books in 1958, the commitments carried over from 1958, and the level of interest rates which it is expected will prevail in 1959.

Increased life insurance sales should follow the improvement in the economy brought about by the upswing in general business which should generate a larger volume of personal income, although there will, of course, be competition from other sources for these dollars. Mortality experience should again be favorable due to the high level of income, our ever-improving standard of living, the rapid progress in medicine resulting from stepped-up research programs and advancements in methods of treating the aged and the sick, as well as improvements in facilities used for this purpose. The year 1959 should witness accomplishments which will exceed those for 1958 and as a whole it should be a much better than average year for the life insurance industry.

EDWIN E. ADAMS

President, The Bank of California

The banking business depends more perhaps than any other upon the general level of business activity and the monetary policies pursued by the Federal Government. It seems plain that the short-lived recession, which began in the latter part of 1957, came to an end during 1958 and that now practically all segments of our economy are on the upgrade. This renewed growth, however, seems not to be of such volume that it should result in any substantial expansion of bank loans. I look, therefore, for the volume of loans in 1959 to be approximately the same as it was in 1958 which by all standards should be considered as having been an excellent year for banks.

Edwin E. Adams

It seems certain that during the coming year the government will be obliged to resort to deficit financing in substantial amounts, the major portion of which will be carried out through the sale of government securities to banks with consequent increase in government bond portfolios and deposits. Ordinarily these developments would seem certain to result in increased revenue for banks, but the changed political complexion of the new Congress raises the possibility of a renewed easy money policy which might easily prevent the commercial banks from realizing any increased revenue from increased volume of government securities.

In a sentence, 1959 should be another good year in the banking business, but it is impossible confidently to predict that net earnings will be appreciably above those shown for 1958.

WILLIAM R. ADAMS

President, St. Regis Paper Company

During the first half of 1958 the paper and paperboard industry operated at only 86% of capacity, the lowest ratio in several years, but an actual output only 7% below that of the most productive six months in history, the first half of 1956. Beginning toward the end of the second quarter and accelerating after the usual July shutdowns, activity improved throughout the balance of the year to the point where the total production for the year will probably be reported as practically identical with 1957. The November operating ratio was about 92% of capacity.

William R. Adams

It is likely that some of the second half demand in 1958 was the result of replenishment of inventories, in the hands of converters, distributors, and consumers, which had been substantially liquidated during the previous eighteen months. At year end, however, it appears that these inventories are near normal in relation to consumption and that 1959 production should approximate the rate of use.

Paper, paperboard and paper products are used so extensively in all of the manufacturing, service, trade, distribution, education, cultural, and entertainment activities of the nation that their consumption closely parallels the trends of the key economic indicators of Disposable Personal Income and Gross National Product.

The present trend of these factors and the favorable forecasts made for the general economy would, therefore, suggest a continued growth through 1959 in the demand for the packaging, graphic arts and other products of this $11,000,000,000 industry. While it is expected that this improvement will be gradual through the year, it would seem not unlikely that the year's output would reach 32,000,000 tons, a new record, exceeding that of the previous peak year, 1956.

Thus, after a period devoted to the modernization of plants to improve the productivity of increasingly compensated labor, the development of new and broader uses for our products, and a belt tightening on indirect costs, the paper industry is beginning on its next cycle of growth. It has been estimated, both by private institutional sources and by the Department of Commerce in a 1957 report, that the nation's need for paper by 1965 will be 40% greater than the 1958 production. The industry is in splendid shape financially and with facilities and raw materials to meet this growing need as it develops over the years.

STANLEY C. ALLYN

Chairman of the Board,
The National Cash Register Company

The year 1959 should increase the already high demand for the products and services of the office equipment industry. Record-keeping and paperwork problems show no sign of abatement and, at the same time, businessmen are faced with rising clerical costs. Squeezed between these two forces, business is turning to mechanization of record-keeping to an ever-increasing degree.

Stanley C. Allyn

This need for increased office automation is occurring at a time when the general economic outlook is improving. Although an explosive "boom" level is not indicated for the year which lies ahead, I believe industry in general can view 1959 with justified confidence. Consumers' disposable income is rising, employment is up, governmental spending and total population are increasing, and inventories for the most part have declined from the high levels of late 1957 and much of 1958.

When the need for mechanization is measured against these favorable economic factors, there is sound reason for the office equipment industry to anticipate substantial sales increases in 1959. For the year just concluded, the industry's sales will total about $2.5 billion. A reasonable expectation for 1959 is an increase of 10 to 15 per cent above this level for the industry as a whole.

From the standpoint of our own company, incoming orders during 1958 exceeded any previous year despite the rather checkered pattern of general business conditions. Sales of cash registers to individual merchants set a high pace throughout the year and chain and department store orders also were ahead of the year before. One reason for the continued strength of the cash register market was the introduction of new machines and features, such as automatic change dispensing. Others were the continuing trend toward suburban retailing, with resultant expansion in shopping centers, and the swing to self-service beyond the food field. Also important were the efforts by merchants to tighten control over their operations because of rising costs and slipping

profit margins. All of these factors will continue to exert a positive effect on the demand for registers in 1959.

The field for accounting machines has proved even more dynamic in recent years. Despite a very substantial increase in accounting machine sales goals for 1958, NCR finished the year with more than 100 per cent of quota. A major factor in securing these results was the success of the company's electronic bank posting machine, the Post-Tronic. Since this machine is the cornerstone of the company's bank automation program and since additional units in this automation program have now been released for sale, we are anticipating further gains in the area of bank accounting. A number of other new accounting machine developments scheduled for release this year are expected to strengthen further the company's position in the accounting machine market.

It is difficult to estimate the full extent of the industry-wide stimulus which will be provided during 1959 by the advent of new products, but we do know that it will be significant. In our own company, for example, approximately 80 per cent of the products being sold today were not on the market ten years ago.

In the face of good economic conditions, a constantly growing market, and the introduction of additional new products, we cannot help but be optimistic. The year 1959 will mark the 75th anniversary of the founding of our company. We expect it to be a record-breaking year in sales.

THOMAS T. ARDEN

President, Robertshaw-Fulton Controls Co.

While automatic controls have generally anticipated the need for suitable controls in new products for industry, the home, and transportation, future years will bring innovations which will significantly increase the controls industry's growth. In this connection, we can cite as an example the new thermostatic control for gas range top burners, developed by our firm, and called by the American Gas Association "the most outstanding recent contribution to the gas industry."

Thomas T. Arden

Housewives had long thought their gas ranges offered the ultimate in cooking perfection. But now, the new device makes possible the same precision cooking on the top of the range that the homemaker has come to enjoy in her oven. Today's shoppers are demanding that their ranges have the new control, identified by many as the "Burner with a Brain."

Heavy emphasis on research will accelerate development of totally new controls, and will speed the sophistication of present products. During 1959 we will complete a new research center at King of Prussia, in suburban Philadelphia, with greatly increased capacity to step up completion of many product development projects already under way. During 1958, Robertshaw-Fulton opened a new research center at Anaheim, Calif., where a number of projects aimed at production of new control devices now are nearing completion.

Nineteen hundred and fifty-nine will be a good year for the controls industry, and beginning in 1960, there may be a tremendous upsurge as part of the next cyclic growth of the nation's economy, strengthened by predictable new family formations.

We are now preparing for the expected business boom in the 1960s. Recently the firm announced that it will build a huge new plant at New Stanton, Pa., to specialize in automatic gas controls, and has just announced the creation of a new division at Indiana, Pa., which will specialize in the manufacture of precision electrical controls.

We look to 1959, and the years immediately ahead, for a vigorous expansion of markets for automatic controls, and for a healthy condition of business in general.

ALEX H. ARDREY

President Bankers Trust Co., New York City

The prospect is for a further and substantial increase in the volume of earning assets and deposits of the commercial banks in 1959. Bank earnings should compare favorably with those of a year ago, although operating costs continue upward.

Following the sharp liquidation of business inventories last year, business managements in 1959 are likely to be replenishing their stocks, especially since orders and sales are mounting. Capital investment programs, too, are no longer being cut back, and while considerable unused capacity reduces the chances of an immediate resumption of the business investment boom, outlays especially for cutting costs and raising efficiency will probably increase during the year. All this is likely to mean larger credit requirements by business.

Alex H. Ardrey

The consumer, having reduced his instalment debt somewhat during the recession, is now in a better mood to buy, and automobile sales in particular should be considerably improved, suggesting a renewed increase in consumer credit financing. Demands for real estate mortgage money likewise promise to remain active in the wake of the greater volume of residential building now underway, even though the present high level of housing starts may not be maintained throughout the year.

In addition to meeting larger demands for bank loans in 1959, the banks will probably be required also to add to their holdings of Government securities. Despite the improvement in business, the Federal budget will in all probability still show a substantial deficit over the next 12 months. In addition, a huge volume of shortdated Government debt outstanding will need refinancing. The Treasury is expected to seek to place some of its securities with individuals and savings institutions, but as of today, it appears that the Treasury will have to rely upon the commercial banks to a considerable extent in 1959.

As the year moves ahead, there is the real possibility that credit requirements may be enhanced by inflationary pressures. Our resources of manpower, materials and capacity are fully adequate to support a sizable increase in demands, but the threat of inflation has nevertheless become more ominous, fed by an unbalanced budget and the prospect of another turn of the wage-cost-price spiral in 1959. As a consequence, at a time when major foreign currencies have become stronger, the international position of the dollar has weakened. The development and prosecution of an effective public policy to stop inflation is the most urgent problem confronting our economy today.

ARTHUR K. ATKINSON

President, Wabash Railroad Company

The recession in general business activity, which became apparent in the fall of 1957, had an immediate and drastic effect upon the railroad industry which continued throughout 1958. For the Class I railroads as a whole, 1958 carloads of revenue freight will total about 15% lower than for 1957 and 20% below 1956. As a result, when the 1958 figures are tabulated, the net railway operating income of the railroad industry will be about 20% below 1957, indicating a rate of return on the investment of only 2.70% compared with 3.35% for 1957. Railroad traffic volume at the end of the year still has not recovered, although business conditions have generally improved and prospects are much brighter.

Arthur K. Atkinson

Wabash Railroad net results for 1958 will be the poorest in the history of the company since 1941. However, when finally tabulated, they will be sufficient to cover contingent interest charges and the requirements for sinking funds, as well as the dividend on preferred stock. The drop in 1958 revenue can be largely attributed to the general cutback in industrial production and depletion of inventories, although practically all commodity shipments were off with the exception of grain and grain products.

As the 1958 traffic volume diminished, the costs of doing business, taxes, materials and supplies, and wages continued to rise. For example, wage and payroll tax increases which went into effect in 1958 will add $3,118,000 to the Wabash operating costs on an annual basis. In only the past five years since 1953, the portion of our revenue dollar which must be paid out for salaries, wages and payroll taxes has grown from 45 cents to 53 cents.

On the Wabash, we anticipate at least an 8% improvement in our gross revenues for 1959. All departments are being streamlined and re-arranged to improve their effectiveness and abilities to produce the maximum amount of transportation service to supply the needs of our shippers and passengers.

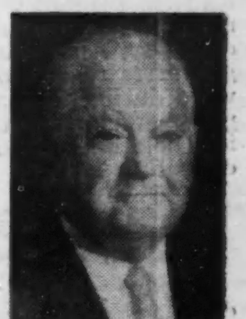
During the year, some of the problems of the transportation industry were dealt with in the Federal legislation repealing the 3% excise tax on freight bills and enactment of the Transportation Act of 1958. This was accomplished through the combined efforts of many groups interested in better transportation, including strong support from the press, as well as from labor and industrial organizations. After the Senate acted on the 1958 legislation, it also recognized the need for further study and correction of faults involving the Government's regulatory policy for surface transportation, and a special subcommittee is expected to begin extensive investigations into this subject early in 1959.

As business conditions improve, the railroads will be stepping up their car repair programs and placing more orders with their shops and the car builders for new freight cars and other equipment. The long-term outlook for growth of the American economy is bright which makes it clear that transportation facilities must be enlarged and improved to serve this growth. Whether private enterprise sources will produce the huge amounts of capital funds to pay for these necessary improvements depends on the establishment of a more favorable climate in the transportation industry which will permit fair and adequate profits for all public carriers.

DONALD L. BARNES

President, American Investment Company of Illinois

We expect the consumer finance industry of which our company, American Investment Company, is a part to resume its normal growth in 1959. Last year, the consumer finance industry experienced a "wait and see attitude" on the part of its customers, the American consumers. As we attempt to plan for 1959, we see both weaknesses and strong points in our national economy as it is affected by the consumer and his behavior in the national market.



Donald L. Barnes

For our own company, American Investment Company, we expect our notes receivable (which represent loans to our customers) to increase approximately 10% to about $250,000,000. We also expect improvement in our net earnings over those of 1958. Additional growth of about 10% is expected in the number of branch offices which our subsidiaries operate. In the very near future, we will be opening our 500th consumer finance office.

The strong points in the economy in 1959 as we see them are: an increase in total personal incomes, continued high demand for consumer goods and services, some increase in over-all production notably in the automotive and hard goods fields, some stimulation from the recent stabilization of the currencies of Western Europe countries, and continued high defense spending by our own government. These factors, we believe, will tend to increase the confidence of the consumer in his own future income and job security and thus increase his use of consumer credit.

Factors which may somewhat offset some of the favorable indicators are, in our opinion, such things as a continuation of higher than "normal" unemployment,

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a feeling on the part of the consumer that prices are "too high" which will require additional efforts in selling and advertising, and increases in taxes at the state and local levels.

Since much of the consumer's behavior in the market seems to be psychological in nature, his balancing of the favorable and unfavorable factors will determine the amount and direction of consumer spending in 1959. This, of course, will have a direct bearing on the amount of consumer credit which the American consumer will use to implement his buying power this year.

Our own analysis indicates that the consumer will use his credit with moderate confidence in 1959. We do not expect a boom in consumer credit similar to that experienced in 1955, but we do expect improvement over the demand for consumer credit which we saw in 1958.

Two additional factors appear to us to increase the demand for cash installment loans: first, an increase in population in the age brackets generally considered to be the heaviest users of consumer credit and second, a wider acceptance of consumer credit as a way of life. A generally favorable economic climate and a continuation of consumer confidence plus these two factors should increase the demand for the services of consumer finance companies.

There is some pressure for a return of federal controls on consumer credit as a gesture toward controlling inflation. Such controls, in our opinion, would have little or no effect on the causes of inflation. Consequently, we cannot see the justification for federal controls of consumer credit and we believe that such controls at this time, even on a standby basis, could have disastrous effects on the forward progress of our economy.

Generally speaking, we look for 1959 to be a year of prosperity for the economy as a whole and for American Investment Company. We feel, however, that 1959 must be viewed with both optimism and caution. As a company, American Investment Company expects to be geared to react quickly to any changes in the economic wind during this year. Unexpected situations, such as a prolonged strike in the steel industry, could, in our opinion, hold back if not reverse the upward trend which we expect in 1959.

ARMIN B. BARNEY

President, The Colorado Springs National Bank, Colo.

We are probably not as closely conversant with conditions elsewhere as are many other contributors to your forum, but we do have great confidence in the growth of this community. The tremendous growth of the last 10 to 15 years makes comparisons for the immediate future rather difficult and it would seem nearly impossible to continue the growth of these past years.

Armin B. Barney

We are pretty much of a tourist center. The opening of the U. S. Air Force Academy, just north of Colorado Springs, together with the State's Centennial, to be celebrated during the year 1959, should insure unusually heavy tourist business.

I would assume that private construction might maintain the pace of the last few years but that public and business construction might show some tapering off in the year to come. We are not in the center of an agricultural district, but there seems to be an abundance of hay and all feed, and ranges appear to be in excellent condition. Many of our cattle people anticipate a steady price as the demand for replacement cattle is very good.

FRED W. BARTLETT

Chairman, Board of Directors, Socony Mobil Oil Company, Inc.

The demand for petroleum products in 1959 should be somewhat better than the modest increase which has occurred in 1958. Company economists estimate that demand in the United States will increase by about 4%, and that of the rest of the Free World by about 8%. Last year the domestic increase was 2% and for the remainder of the Free World 8%.

Fred W. Bartlett

Besides the general recession, there have been economic and political-legislative problems peculiar to the oil industry which have adversely affected business in the past year. For the most part, they will be with us at least through 1959.

The basic economic problem we continue to live with is over-supply. This problem has been aggravated the past two years because the growth of demand for oil products did not materialize as anticipated. While supply and demand are in better balance today, profit margins will remain slim, and you can rest assured that competition within the industry for portions of any increase in business will continue to be very spirited.

Percentage depletion may well be the political-legislative issue related to oil most hotly debated during 1959. Undoubtedly the pressure in Congress will be greater than ever to cut the depletion percentage below the 27½% rate. This rate, contained in income tax laws, justifiably recognizes that those who search for oil assume the greatest financial risks of any engaged in the extractive industries. The percentage was determined by legislators—not oil men—in 1926 and has been systematically re-examined by them ever since to assure its continued validity.

Should this rate be reduced, I am convinced that the search for oil would be curtailed, costs within the industry would go up, and eventually, of necessity, there would be increases in the prices of oil and oil products.

S. CLARK BEISE

President, Bank of America National Trust & Savings Association, San Francisco, Calif.

If we needed any proof the American economy has strength in depth and can shake off a solid punch, we had it during 1958. Just a year ago there were more goods ready for market than people were willing or able to buy. We knew this would hurt some people and some businesses and slow down the over-all effort.

S. C. Beise

But the nation's stamina was more than sufficient to deal with this challenge and meet it with force.

During 1958 individual optimism was not daunted; people continued to buy and build; our economy began to catch up with production and make the adjustment.

Presently we find ourselves on solid footing and moving ahead strongly. This will be most evident during the first half of the year.

We are going to build more homes this year than we did in 1958 and sell more automobiles.

We believe there will be $105 in goods and services produced throughout the country in 1959 for every $100 turned out during 1958. Although this increase will be national in scope, gains in the 11 western states will show an even sharper rise. This is because of the continued heavy in-migration, particularly in California.

Credit resources will continue to meet the needs of business and industry, finance a healthy volume of new homes, as well as provide funds for men and women purchasing automobiles or appliances.

Loan interest rates charged borrowers will remain generally at about their present levels. While there may be increases in some areas, interest rates will not be a preventive factor in seeking money for expansion or purchasing. At the same time, interest paid to savings depositors will remain at the present figure.

We approach the new year with confidence and assurance but we know there will be problems to solve and areas of production and service requiring more attention than others. This is part and parcel of progress calling for alert attention and intelligent action. It does not demand alarmed action or aimless running about in circles.

The past year has shown us we have the resources and the tools of know-how and imagination to move ahead and at the same time cope constructively with negative factors.

D. N. BENEDICT

President, Frick Company

The air conditioning and refrigerating machinery business currently is better than it was at this time last year and exhibits elements of strength which are most encouraging. As most of our contracts do not run over extended periods of time this appraisal necessarily refers to the immediate six-month future. However, if the economy continues to expand as predicted by many, our business will participate in the trend. In respect to timing, ours is a lagging industry—which always overshoots declines and lags a bit in the pick-up.

BRUCE BERCKMANS

Chairman and President, International Breweries, Inc.

In the light of economic and weather conditions, sales in the brewing business were fairly stable in 1958, declining only about 2% in the first ten months. This is rather surprising as beer declined 1.4% in the prosperous year of 1957 and the increase in 1956 was only 1.3%.

Bruce Berckmans

While 1958 again proves that beer sales are resistant to downward economic trends, the above figures indicate the static nature of the industry. While more people are enjoying beer, they are drinking less. The per capita consumption of beer increased from 7.9 gallons of beer in 1934 to a high of 18.6 in 1945. Since then, the per capita consumption has been slipping, reaching 15.3 in 1957.

Modern distribution methods, packaging and self service have all been factors in the enormous growth of the food industry. But it may well be that it is one of the principal reasons for the static condition of the beer industry.

Since legalization, each year has seen an increase in packaged beer and a decline in draught. In 1934 approximately only 10% of the total beer output was packaged. For the first three quarters of 1958, packaged beer represented 79.8% of the total.

The take-home percentage of beer has followed the same pattern. Today, well over half of all beer consumed is in the home. As the tendency is to drink less beer at home than when out, this undoubtedly has been a major factor in the lowered per capita consumption.

While lower individual consumption is viewed with alarm by the industry, there is an optimistic feeling about the 1960s. It is then that numerous consumers born since the depression will have reached the beer drinking age.

However, the current static condition of the industry sets the stage for 1959. Competition among breweries will be stronger than ever. It will be reflected in larger advertising and promotion budgets. Marginal producers will continue to either close their doors or merge.

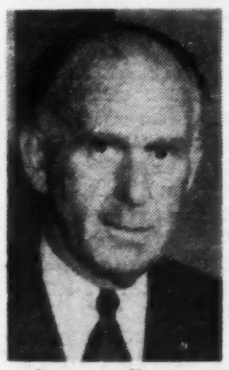
The battle among the industry's giants will concentrate on the local level. The number one volume beer producer will open more markets for its popular priced brand, as well as continuing the pressure behind its premium priced beer. The large semi-national popular priced brands will continue their efforts to achieve truly national distribution. The effect of these drives is to put an increasing competitive squeeze on the regional and local brands, who in turn will have to step up their efforts to maintain their positions.

International Breweries more than held its own during 1958. Substantial progress was made in integrating the packaging, advertising and merchandising of the various beers and ales; namely Iroquois, Frankenmuth, Old Dutch and Silver Bar. This should be completed by the end of 1959. Also, it is our firm intention, in addition to further consolidation of our present markets, to continue to expand by merger or combination wherever and whenever the conditions are favorable.

ADMIRAL JOHN J. BERGEN and A. M. SONNABEND

Chairman and President, Respectively, Hotel Corporation of America

In 1958, the advent of the jet age raised many questions for hotelmen about their future. There was much speculation on both the extent of the impact and the measures to be taken to adapt their business to the new travel era.



John J. Bergen

A. M. Sonnabend

Amidst much industry-wide uncertainty, the Hotel Corporation of America spent the year implementing its philosophy that the future of the hotel business lies in modernization of existing facilities to keep pace with new developments and in expansion into the motor hotel field.

That the motor hotel field is a ripe market seems apparent. According to the best available evidence, 85.5% of all vacation travel and 71.4% of all business travel is being made by automobile. Population increases and concomitant increases in the number of automobiles on the highways will result in greater demands placed on the motor hotel industry.

Despite the Hotel Corporation of America's enthusiasm for the potentials of this market, there are danger signs which should make everyone cautious. Motels are being built at the rate of 3,000 per year. In 1951, there were 43,356 motor hotels with 823,764 units while in 1956 there were 56,248 properties with 1,124,560 units.

Will the demands of the future require this much expansion or will the motel industry find itself over-expanded and suffering from obsolescence? It is less than 20 years since the hotel industry found itself suffering from those ills borne by the boom money of the '20s.

The thought repeatedly occurs that ventures in this field must be approached with caution. Though the Hotel Corporation of America has opened six facilities in 1958 and has reached agreement to operate 11 other properties now either in planning or under construction, management has considered the nature of its operations with great care to be certain that its thinking is attuned to the requirements of the new period.

In designing the facility, hotelmen are confronted with a whole new range of problems. Check-in directly from the automobile, guest room convertibility to both living and sleeping quarters, soundproofing and deflecting automobile headlights are some of the innovations HCA and other organizations are finding increasingly important. Ideally, the property should combine the best features of the downtown city hotel and the motor hotel. This means the facility can accommodate the transient motorist and the nearby residential and business community's need for restaurants and public meeting rooms.

The motel industry represents an important new market for the hospitality industry, but the downtown city hotel will continue to be an equally important factor. Property values, guest room units, and gross volume of business still exceed the motel industry. The Hotel Corporation of America's confidence in the importance and stability of this field is expressed in their agreement to operate a 350-room hotel now under construction in New

Orleans and an 1100-room hotel which will be part of the Boston Prudential Center.

As an industry, hotels have spent more than $2 billion in the postwar era modernizing their properties. There is no doubt that many hotels have been hurt by competition, wage increases and rising costs of supplies. The hotels which have most successfully weathered these problems are those who have maintained the appeal of their properties through modernization. This belief is a cornerstone of HCA operations.

The arrival of the jet age has ramifications in the hotel industry. In addition to property maintenance, hotels increasingly will find it necessary to develop techniques of selling their services to the modern traveler, such as stationing a representative at the airport much in the manner of the representative meeting the steamships. Week-end business will become a greater problem as businessmen find making the return trip home can be made with ease. However, businessmen may take more trips because of the convenience of jet transportation.

With the population increasing and more people having more time and the means to take more trips, the future of the hotel and motel business is bright. With intelligence and caution applied to their planning, hotelmen can build a sound industry designed to meet the challenge of the coming years. 1959 should prove an important year in determining the character of the industry's adjustment.

CARL A. BIMSON

President, Valley National Bank, Phoenix, Ariz.

We enter 1959 with the economy in a strong upsurge. This is especially evident to Western bankers with a continued heavy demand for loans by most segments of business even in the face of strengthening interest rates. Both demand and savings deposits are rising in our section of the country and there is a general feeling of optimism on the part of both businessmen and consumers.

Carl A. Bimson

On the consumer front, individuals throughout the country generally have shown a conservative attitude by not over-extending themselves and we are not likely to see more than a normal debt pattern as related to disposable personal income. Auto debt has dropped over $400 million since the middle of 1958 and the drop has only been partially offset by increases in other forms of consumer obligations leaving a net decrease in installment debt of about $20 million in the last six months. If there is good public acceptance of automobiles during the coming months, which now appears to be evident, we may see an increase in individual borrowings but it is anticipated that these will be well in line with repayment capabilities.

Nineteen fifty-nine should see a better balance in consumer expenditures than that of the past two or three years.

There is a strengthening in housing starts. There is every evidence of improvement in automobile sales and in the demand for furniture and hard white goods which will possibly mean a rechanneling of a larger percentage of disposable income into these areas which were among the hardest hit by the curtailment of consumer expenditures in 1957 and 1958.

Business spending for new plant and equipment and for inventory should be stronger with increased confidence in the economy and evidence of stronger consumer demand as reflected in year-end sales figures. Government spending is also expected to be sustained at the high levels of recent years, and, unless there is an unexpected improvement in the international situation, will continue with us. The greatest danger, in my opinion, is that of excessive deficit financing with its ultimate effect on the general price level. Inflation, whether creeping or not, will eventually do more harm to more people than any amount of international unrest.

The coming year will see greater expenditures by both state and local authorities for necessary capital improvements. Let us hope, however, that the Federal Government will strive for a better balance in the budget so as not to be a party to a rapid rise in prices at a time when the consumer is still quite critical of present day high cost of the items he wants to buy.

A rising price spiral could again trigger a buyers strike more detrimental than the slump of 1958.

The fact that the consumer can defer purchases of many items for extended periods of time was again brought into sharp focus in 1957 and 1958. Let's not forget this fact in our urge to force a further stimulation of our economy through needless deficit financing.

JOSEPH L. BLOCK

President, Inland Steel Company

The steel industry has excellent prospects for record or near record operations in 1959 and the year should see new high levels of production and sales for individual companies. Included among these will be companies situated as Inland is with new steel making capacity and big additions to finishing facilities.

Joseph L. Block

Steel production has improved steadily since the low point of last April. The trend should continue through the first half and very likely throughout the year.

Rising employment and personal incomes is underpinning a growing confidence in consumers' minds which should increase their purchases of durable goods, and housing construction should continue to rise. Of greatest importance in this connection from the point of view of steel is the automobile industry which, I believe, will show marked improvement as compared with 1958. The predictions of well informed individuals in the auto industry of a minimum of 5,500,000 cars for 1959 would represent an increase of at least 30% over 1958.

Government spending for capital goods will also rise and, as the year progresses, the private sector of the heavy construction industry should also show some improvement. It looks now as though our railroad friends will also come into the market.

A decision by the Supreme Court late in the year clarifying the rate-making procedure of gas pipeline operators is releasing some large pipeline projects which will doubtless be followed by others and become a considerable factor in steel consumption this year.

A certain amount of buying for inventory accumulation will add to the steel demand in the first half. In part this will be to replace inventory liquidated during the past year but there undoubtedly will also be some build-up of stocks to guard against the possibility of a steel strike in July.

Based on this rather rosy outlook, I believe steel ingot production in the first half of 1959 will aggregate between 55 and 58 million tons as compared with approximately 47 million tons in the last half of 1958. Although the second half of next year might start out on a reduced basis as a result of either a strike or the previous buying in anticipation of a possible strike, I am inclined to believe that steel production in that period will be at about the same level as in the first six months.

On this basis the total ingot production for the year would be between 110 and 116 million tons. This compares with about 85 million tons this year, the 1955-1957 average of 115 million tons, and the 1955 record of 117 million tons. The average of the projected figures for both the first half and the entire year 1959 would be 77% of the new 1959 capacity of the United States Steel Industry and represent an index figure, based on the 1947-1949 average, of 135.

ROGER M. BLOUGH

Chairman of the Board, United States Steel Corporation

The American steel industry, rapidly recovering from the third postwar recession, has prospects of reaching an operating rate of about 80% of present capacity during the first six months of 1959—an increase of approximately 45% over sharply curtailed operations in the first half of 1958.

Roger M. Blough

Despite this prospect, the 1959 U. S. economy will be confronted with the challenge of further cost-push inflation, the inflationary effects of Federal deficit spending and, importantly, the ever-growing need to strengthen our industrial and scientific might to meet Soviet economic aggression.

The present three-year labor agreements terminate on June 30 and prior to that date the companies in the steel industry are faced with the task of negotiating new agreements which will not add fuel to the inflation fire. In Washington, the Congress is confronted with the ponderous task of meeting a probable $12 billion fiscal 1959 deficit, with resulting inflationary implications.

Our need to combat inflation and maintain the country's industrial supremacy cannot be overemphasized. Russia's seven-year program ending in 1965 has a target of 100 million ingot tons of capacity. This proposed growth, which would increase Russia's present capacity by two-thirds, is about twice as great percentage-wise as this country's substantial expansion in the past seven years.

Despite this Soviet expansion, there today are some groups who would tax away our corporate profits, or even bargain them away with uneconomic wage increases, at a time when our industrial resources are so vitally needed.

In continuing its modernization and expansion program in 1958, U. S. Steel spent $341 million for additions and replacements in the first three quarters and had authorized projects to be completed requiring expenditures of $740 million at the end of the third quarter of 1958. Since 1945 U. S. Steel expenditures to give the nation more and better steels have totaled almost $4 billion. This has been done despite mounting costs and a tax allowable depreciation far from adequate.

Completed or in progress in 1958 for increasing the efficiency and capacity of blast furnaces was the construction of four new sintering plants in the Pittsburgh, Youngstown, Ohio, and the Chicago areas; other projects include a new pipe mill at Lorain, Ohio, which will be the most modern facility of its kind ever to be built, replacing several old mills, with an annual capacity of 237,000 tons; a new engineering building in Los Angeles; a new structural and blooming mill and a new slabbing mill in the Chicago area; new primary and billet mills and another electric furnace in the Pittsburgh area; new tin plate manufacturing facilities in California; a

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new coal cleaning plant in Utah, and the installation of auxiliary facilities for plates at Fairfield, Ala.

In the field of research, U. S. Steel announced in 1958 the development of the world's widest thin gauge alloy and stainless steel sheets, "sandwich" rolled for defense missiles and aircraft in a new technique developed and refined by U. S. Steel. Another is a missile steel with a tensile strength level of 280,000 pounds per square inch, or six times greater than that of ordinary sheet steel. Still others are vinyl plastic coated sheets of beauty and durability, and patterned vitrenamel sheets in many colors for a wide variety of applications.

The year 1958 was a difficult one for the steel industry, with an operating rate of only 54% of capacity during the first half, rising to an estimated 74% in the fourth quarter. Although there was substantially greater ingot capability than in earlier years, the estimated 1958 output of 85 million ingot tons reflected sharply reduced levels of operation. However, the gain in second-half output made it possible for the industry to end the year on a stronger tone enabling us to look forward to continuing improvement in 1959.

Actual use of steel in 1958 was not as depressed as the operating rates would imply. During the first three quarters of the year steel users consistently bought less steel than they were using on their production lines. Steel shipments fell steeply as a result.

By ordering less steel than they were using, thereby depleting inventories, customers were able to alleviate a financial burden when their income was falling, and, at the same time reduce inventories which had been built up in 1956 and early 1957. During the 15-month period ended last August, total customer inventories appear to have been reduced by the equivalent of 15 million ingot tons to the lowest level since 1950.

The decline in steel output last year was not just the result of inventory liquidation, however. Preliminary figures suggest that steel consumption in 1958 fell 15-20% below the record total of 1957.

Although a modest amount of inventory rebuilding was apparent during the final quarter of 1958, steel stockpiles are still believed to be inadequate to meet the steel consumption needs of an economy that has substantially recovered from a sharp though comparatively short recession.

However, the corner has been turned, and based on virtually every measure of business activity, it now seems clear that our economy reached the bottom of the recession last Spring. Since then, there have been continuous substantial gains in total industrial production, personal income, new orders, consumer spending, and in steel production.

The industry can reasonably expect improved shipments in the next six months to such major steel customers as the construction industry, farm implements, appliances, machinery, and automotive. Probably the largest gain in shipments will be made to the automotive industry which moved up sharply in November and December.

A major question lies in the area of business spending on plant and equipment. According to government surveys, there has already been a small gain in capital investment from the summer low, but there is no certainty that there will be a significant revival in 1959. However, termination of this decline of spending removes the basic uncertainty and it is reasonable to suppose there will be some modest gains in this type of business investment.

The quickening pace of steel orders already has begun to have an effect on delivery schedules. As lead times lengthen, the need for customers to protect their inventory position becomes greater. Consequently, a certain amount of inventory building may be anticipated in the coming months. In total, the change from inventory liquidation in the first half of 1958 to inventory building in the corresponding months of 1959 may mean a net increase in ingot production.

HAROLD BOESCHENSTEIN

President, Owens-Corning Fiberglas Corporation

Our company is entering 1959 with a strong upward trend in sales but with continued rising costs in doing business. Residential, commercial and public building continues at a high level, only partially offset by a lag in industrial construction. Our broad lines of products in these fields have excellent acceptance and we benefit from this active demand. More than 625 builders, who constructed more than 40,000 homes, participated in the Fiberglas "Comfort-Conditioned Home" program launched in 1958. This program will be expanded in the coming year.


H. Boeschenstein

Fiberglas reinforced plastics materials have become significant components in aircraft, missiles and rockets. It appears that they will become the most widely used material in small boat construction in 1959; and applications in many other products are expanding. Another growing use for Fiberglas is as reinforcement in papers and polyethylene and other films.

A new Polarizing lighting panel developed during 1958 is now being introduced.

The market for Fiberglas decorative fabrics has grown rapidly during the past year with the introduction of new types and designs in texturized fabrics. Now, with new Coro-dyed yarn fabrics being introduced, we expect broader sales in this field during 1959.

Aggressive research and product and process development and improvement are basic policies in our business. By this means we increase the usefulness of Fiberglas materials, expand our markets and thus maintain a high level of operations and employment. We expect further improvement in sales and operating results in the year ahead.

ANDERSON BORTHWICK

President, The First National Trust and Savings Bank of San Diego, California

Executive Council, American Bankers Association

The outlook for banking in 1959 necessarily depends in large part on national and international economic and political developments. Barring the effects of international crises, I believe domestic economic trends will be the chief determinant in the demand for credit, changes in monetary policy, and the level of money rates.


Anderson Borthwick

In the year just completed, the leveling-out process and subsequent economic recovery have developed as we anticipated in these pages last year, as well as a tighter money policy, rising demands for bank credit, and higher interest rates.

In summarizing our outlook for 1959 the following outline presents our anticipated developments:

(1) Factors of strength and weakness:

(a) Consumer spending we believe will continue for the next quarter at the present level;

(b) Business spending as indicated by private investment for plant and equipment, though up slightly for the first quarter, presents a cloudy picture for the rest of the year; inventory spending may increase slightly;

(c) Government spending as indicated by fiscal requirements will be considerably higher.

(2) From the standpoint of demand and supply of money and credit, it looks as though

(a) Business and commercial loans will be up slightly;

(b) Mortgages and real estate loans will depend upon housing starts, which evidently in the past year have been in excess of family formations and would indicate a leveling or slight reduction;

(c) Corporate bond financing—we anticipate continued fairly high level;

(d) Government borrowing (municipal, state and Federal) will be up sharply.

(3) The course and effect of monetary policy would indicate

(a) An increased pressure for inflation;

(b) Bank deposits will have a tendency to increase if Federal Reserve policy remains constant.

(4) The effect of these relationships on the banking picture indicate that

(a) Bank loans will be up slightly;

(b) Bank deposits should increase to a greater or lesser extent depending upon Federal Reserve policy;

(c) The return on earning assets of the bank should be better than in 1957.

WILLIAM T. BRADY

President, Corn Products Company

Prosperity for most every business in the year ahead—and the years thereafter—will depend increasingly on unity among the many group forces which hold influence over our economy. Unity, in an economic sense, means neither abandonment of self-interest nor abatement of competition. It does mean that business, agriculture, labor, government—all those concerned with the production and distribution of goods—will have to create a set of conditions under which risk and initiative will be properly rewarded. Greater rewards are to be earned not at the expense of the customers, but as a result of providing them with better products, better service, and better values.


William T. Brady

The coming year should see a resurgence in economic growth of greater depth than we have ever before witnessed. But whether it is to be fully realized will largely turn upon the all-important factor of unity. While the company will move generally with prevailing business conditions, we have great hopes that 1959 will be the best year the company has ever known. The basis for this optimism is first an improvement in the economic climate throughout the country, along with the continued abundance of those agricultural commodities—corn, vegetable oils, and peanuts—most important to the company; second, the soundness of our business, which in recent years has become increasingly diversified; third, confidence in company plans and projects now in the works; and, fourth, the vitality of the Corn Products organization which is alert to the manufacturing and marketing opportunities implicit in growing populations and growing wants here and abroad.

The upturn in the economy permits the company to increase distribution of the some 450 industrial products which it supplies to more than 60 basic industries. The company's research program for developing new industrial products and uses should broaden sales to this important segment of our business.

Another reason why the company will move ahead at a faster pace is the demand on the part of consumers for premium quality grocery products. The homemaker today is a highly sophisticated shopper, she insists on reputable brand names of know quality. She wants convenience and style. With more than 30 different leading grocery items, the new Corn Products Company is well prepared to cater to this sophistication.

The recent merger of Corn Products Refining Company and The Best Foods, Inc., to form Corn Products Company, was a move certain to work to the benefit of the American consumer.

By joining the facilities of the two firms, the new company is now able to offer a wider range of customer services and accelerated progress in product and basic research. The company provides technical and marketing assistance to both industrial and grocery products customers, and that progress in research is resulting from additional centers of research operations.

Advancement of customer service and research are important frontiers in our business today, as the grocery business is in the midst of a continuous and solid growth. Total grocery industry sales is now approximately $75 billion, and it is expected that by 1965 it will reach $100 billion. With our present reservoir of talent and experience, I believe we are in an excellent position to contribute to and share in this expanded market.

An increasing population and ever improving standards of living has made possible the dawn of the supermarket age in the world market. With more than 50 years of manufacturing and sales experience abroad, we look to the overseas markets as a major source of company growth. Important contributions are expected from the newly acquired line of Knorr soups, which are great favorites on the Continent, as well as a number of the Best Foods brands, many of which are expected to find the same wide acceptance overseas that they have had in the United States and Canada.

All in all, 1959 should be a bright year for Corn Products Company.

LYMAN B. BRAINERD

President, The Hartford Steam Boiler Inspection And Insurance Company

In the boiler and machinery line of insurance we look forward in 1959 to continuation of the premium growth which has characterized the business for the past several years. In 1958 the totals of both written and earned premiums for all companies engaged in this line set new records, according to a forecast based upon actual writings for the first 10 months of the year and estimates of the writings for the last two months for which final reports have not been completed at the time of this writing. However, it is noted that the rate of growth in 1958 was not as great as in the previous two years—a situation due, in part at least, to the decline in general business activity during the latter half of 1957 and the early part of 1958.


Lyman B. Brainerd

Any estimate of the prospects for this line of insurance during 1959 must take into account two more or less unrelated factors: premium volume of renewal writings as affected by policies due to expire during the year, and the effect of the general economy on existing policies and on the volume of new business.

It is anticipated that renewal premium volume in 1959 will exceed that of 1958. The great majority of boiler and machinery policies are written for three-year terms, and therefore, the volume of renewal writings during any year will depend to a large extent on total writings of the third preceding year. In 1956 the writings in this line showed a substantial increase over the previous year and thus expectations are that renewal premiums in 1959 will prove to be greater than in 1958.

Predictions for general improvement in the economy of the country and increased expenditures for new plant and equipment are also expected to have a beneficial effect on boiler and machinery writings this year. It is true that a large portion of the business it not immediately responsive to fluctuations in general business activity since the need for property damage coverages changes appreciably only with prolonged trends in the economy. However, a growing percentage of the writings in this line represents premiums for use and occupancy or business interruption coverages which do respond more readily to general business fluctuations and to this extent the anticipated increase in manufacturing output can be expected to produce increased writings in our line of insurance.

These predictions for a general upward trend in the economy indicate additional demand for insurance and for inspections designed to safeguard increasingly expensive power equipment. Thus, continued growth of premium volume is anticipated in the boiler and machinery line of insurance during 1959.

HARLLEE BRANCH, JR.

President, The Southern Company

The four-state area of the Southeast served by the Southern Company system, Alabama, Georgia, Northwest Florida and Southeast Mississippi, looks forward in 1959 to another year of growing industrial development, quickening commercial activities, and an expanding population.

Harllee Branch, Jr.

The recession of 1958 had a relatively minor impact on the diversified economy of the Southeast. The establishment of new industries and the expansion of existing industries proceeded at a gratifying rate. In the nine-month period, January 1-September 30, 1958, 130 new industrial plants—each involving a capital investment of $50,000 or more and employing at least 10 workers—were located on the lines of our operating companies. These new industries represented a total capital investment of $42,590,000 and afforded employment for 8,000 persons.

In the same period, 80 existing plants invested $48,480,000 in expanded production facilities, creating employment opportunities for an additional 3,790 people.

The Southern Company service area, where textile manufacturing formerly overshadowed other types of industry, is now characterized by a wide diversification of industrial activity. In the period January 1, 1953, to September 30, 1958, paper and allied products accounted for $225,960,000 of new plant investments. This was 30.8% of the total. Chemicals and chemical products were next with $86,205,000, or 11.8%. Transportation equipment was third with $83,155,000, or 11.3%. Our lessening dependence upon highly cyclical textile manufacturing makes for greater stability in employment and purchasing power.

We look for a steady industrial growth in 1959. Among the industries for which the Southeast offers especial attractions are chemicals, plastics, metal-working plants, synthetic fibers, and the like.

Various economic yardsticks show that the percentage gains in the four states of Alabama, Florida, Georgia and Mississippi in the period since World War II have been greater than the gains for the nation as a whole. For example, per capita income (1947-1957) has increased 64.2% in the four-state area compared to 53.9% for the United States. Bank deposits (1948-1958) have increased 84.7% compared to 51.7%. Total cash farm income (1947-1957) has increased 26.8% compared to 1.5%. Value added by manufacture (1947-1956) has increased 111.7% compared to 87.7%. Manufacturing employment (1947-1957) has increased 22.5% compared to 9.9%. Department store sales (1947-1957) have increased 75.3% compared to 38.8%.

The Southern Company system has greatly enlarged its facilities in recent years to keep abreast of an ever-growing demand for electric power. Our generating capacity increased from 1,500,000 kilowatts at the end of 1948 to more than 3,700,000 kilowatts at the end of 1958. Electric energy supplied to our customers increased from 7.9 billion kilowatt-hours in 1948 to nearly 19 billion kilowatt-hours in 1958. The number of customers served increased from 810,000 in 1948 to approximately 1,500,000 in 1958. Our planning for 1959 and succeeding years is based on the assumption that this rate of growth will be maintained.

CARL D. BROREIN

President, General Telephone Company of Florida

Florida weather, the appealing factor that has made the state a haven for northern vacationers, and retirees and outdoor fun-loving people who have set up permanent housekeeping, has also been a contributing factor to Florida's economy. Last winter, the state's coldest on record during the past 60 years, had a disturbing effect on the agricultural segment of Florida's economy. The 20-degree temperatures (extreme by Florida standards) destroyed much of the citrus crop—although the dollar return was about as high as usual, almost entirely eliminated the winter vegetable crop, and greatly decreased the tourist trade.

Carl D. Brorein

While the effects of winter lowered Florida's general level of economy, conditions remained at a higher level than those in many other sections of the country.

Florida's heavy reliance on the citrus industry and tourist trade is being continually diminished by the steady flow of diversified industry into the state.

Confidence in Florida's economy is reflected in the steady population rise and high level of business activity that took place during 1958, while most of the nation strongly felt the effects of the general business recession.

New families continued to move into the state last year at the rate of 1,000 per week. Reasonably full employment was maintained. Record retail sales and bank clearings were recorded. Real estate development and new construction held a high level.

Most certainly, the telephone industry, which generally moves with the tide of industrial and residential development, showed resultant gains through the year. The availability of adequate communications and transportation facilities and power, combined with the climatic appeal should continue to attract new industry and new residents.

The fairly new concept of merchandising complete telephone service to homes and industry—extensions, speakerphones, "The ELECTRONIC SECRETARY," dial-lighted phones and many other new items—is widening the horizon for internal growth within the industry.

All indications point to continued broad industrial and residential development in Florida through 1959, and the telephone industry should continue to parallel this growth.

NORMAN BRASSLER

Executive Vice-President, New Jersey Bank & Trust Co., Paterson, N. J.

It is our considered opinion that the economic outlook for the Paterson-Passaic-Clifton Area for the immediate future is for a continued rise in business activity. This rise will probably be at a much slower pace than has been experienced in the recovery of the last half year. Part of this upward but slower trend will be due to the influence of national business developments and part will be due to strictly local developments.

Norman Brassler

Manufacturing activity is expected to increase slowly through the middle of next year. On the positive side are three main factors. First, manufacturing has borne the brunt of the recession cutback and, locally, is only in the early stages of its recovery movement. Secondly, we have reached the low point in the inventory cycle, so that the expected increase in stockpiling should be reflected in a greater volume of manufacturers' orders. Finally, the growth of certain manufacturing industries in this area has continued relatively unchecked throughout the recession, and their outlook is for further expansion. Three industries in particular share this role—food, paper, and printing. The three together account for about 15% of present manufacturing activity locally and have had an average growth of over 7% in the past year.

The pressures on the downward side in manufacturing largely reflect local conditions. The textile industry, which is only about half of its size of ten years ago, can be expected to face some further loss. Rubber, another nondurable goods industry, is also anticipating some further cutbacks. In durables, electrical machinery, which has had a phenomenal postwar growth, is not expecting any substantial recovery in the period ahead.

The local trends in manufacturing are in part a reflection of the overall patterns being set in the economy as a whole. Nationally there has been a long-term shift in emphasis from production of goods to services. Since our local area is more concentrated in manufacturing that the nation as a whole, it has been more seriously affected by the slow growth and accompanying cutbacks in production. On the other hand, the certain recent trends offer the local area its most encouraging prospects. First, in manufacturing itself, the growth of printing, and paper indicate increasing diversification of the area and less dependence on the limited number of manufacturing industries which formerly dominated the local scene. Secondly, the growth of nonmanufacturing activity in the area reflects the increasing role which services play in the economy. This is reflected in the growth of the construction industry, of trade and services, and of government employment.

In nonmanufacturing, the next six months will probably show increasing activity and employment opportunities. This will apply to practically all segments of nonmanufacturing except construction. In this sphere, there has been a very sharp expansion in recent years, both in private and public construction. Private construction, however, no longer exhibits the strength of a few months ago when private housing starts provided an extra boost. With no sharp upturn in sight in plant expansion by industry, the local construction picture may therefore turn in the least impressive performance of all nonmanufacturing activity locally.

On an overall basis, retail trade outlook is also favorable, even though the downtown shopping areas continue to be adversely affected by the growth of the new shopping centers. Downtown merchants are striving to increase traffic flow by improving parking facilities and bus routing. It is uncertain how successful these efforts will be over the nearer term but may prove productive over the years, depending upon the amount of cooperative effort put forth.

Since banking relies essentially upon the economic conditions of the territory it serves, it is obvious from the foregoing that the outlook for expansion of deposits and loans is good. There is no question in our minds that this growth will continue and that the strong and aggressive banks will play a more important role in continuing the development of the economic resources of this prime industrial and residential area.

CHARLES S. BRIDGES

President, Libby-McNeill & Libby

As the canned and frozen foods industries roll up their sleeves in preparation for 1959, they face some pressing problems: how to overcome the corroding effects of the cost-price squeeze; how to avoid the oversupplies that have had such an adverse effect on profits in recent years; how to allocate expenditures to achieve a good balance between short-term outlays for replacements and long-term investments for growth; how to increase an already great public acceptance for its products—in short, how to tack and trim in a year that appears to offer more favorable opportunities for profit but at the same time carries over some of the uncertainties of previous years.

Charles S. Bridges

One thing seems to be clear: it will not be an all-out boom year; nor will it be a year for maintaining the same rigid restraints and safeguards which were brought into play as a matter of necessity during the uncertainties of 1957 and 1958. Having stopped to mark time and take stock of itself, the industry is again ready to move forward decisively. Its spirit is one of restrained optimism.

In recent months prices have strengthened. There are soft spots in some lines, but these are the exception

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rather than the rule. Profit margins are still too low, however, to allow a fair return on investment. A good defense against narrow margins is a vigorous offensive to increase sales. Hence, 1959 will see the same spirited competition throughout the industry as has been the case in preceding years—but probably without the somewhat feverish and ill-conceived promotional schemes that were all too conspicuously present in periods of oversupply. There is another defense against the cost-price squeeze which processors will no doubt include in their plans—a vigorous program to increase efficiency in both production and sales.

The oversupplies that have characterized the past two years are leveling off. This is perhaps the most significant dvelopment of all, since it puts the industry in a position to liquidate inventories in a more orderly and profitable manner. No one can predict what the situation will be when the new packs come in, but there appears to be a pronounced disposition to pack more conservatively, which has not always been the case in the past.

Neither oversupplies nor abnormally low packs are healthy. Oversupplies usually generate a cycle of price-cutting which makes heavy inroads into profit margins, while a poor crop year means loss in volume and consumer resistance to the resulting higher prices. The ideal is a middle course between the two.

Capital expenditures have been confined largely to projects promising an immediate return and to keeping plants and equipment in good order. In contrast to forecasts of a decline of capital expenditures in all manufacturing, the food processing industry expects to increase expenditures for plants and equipment in 1959. We ourselves are turning to long-term projects as part of our program of planned growth. Among them are plans for a new canned meat plant which should enable us to improve our business in this line. There are, in most lines, adequate facilities for production—the big problem is to increase sales in order to make the most of the industry's production capacity.

The industry's resourcefulness in creating new tastes is a familiar story. Every year sees a wide array of new products to capture consumer interest. In this day and age, processed foods compete with everything else in the vast catalog of consumer products. How much of the consumer's disposable income will be spent for food depends to a great extent on the industry's ingenuity in increasing popular demand. Fortunately, there is still no tax on ingenuity.

H. PRENTICE BROWNING

President, American Fletcher National Bank & Trust Company, Indianapolis, Ind.

At year-end 1958 many economic indicators point to nearly total recovery from the sharp industrial and commercial recession of the past eighteen months.

Because of its position in the economy, banking experiences delayed effects of the recessionary and recovery forces. Thus, during the first half of 1958, some of the worst months, statistically, of the recession, banks felt a carry-over buoyancy in loan volume and loan interest rates. But by year-end bank income from this prime source was running substantially below levels of a year ago, and the reduction was only partially offset by improved yields on investment portfolios.


H. Prentice Browning

This affords the background for business prospects in banking in 1959. Gradual recovery in loan volume should result in gross revenues from that source about equal to 1958.

We can anticipate more active demand from processors, particularly of metals, from finance companies, and from instalment buyers of consumer durables. Moderate growth in inventories at all levels will be financed in part by more bank loans. Mortgage lending will not abate, and will continue to press banks for available time deposits. Loans for heavy construction purposes will remain below their 1957 level.

Investment income should equal or exceed last year's. We assume that the freedom of the money market will not be compromised by politically inspired measures, that yields will reflect the demand for funds, and that sincere efforts will be made to market new federal debt instruments to non-bank investors.

In light of the foregoing general predictions individual banks may give continued close attention to the means of increasing revenues collected directly in exchange for services. Too many such charges do not yet recover even all direct costs.

In 1958 banks, as well as industry generally, have succeeded, in the main, in checking the rate of increase in expenses. They have learned methods and effects of cost controls. Further refinements here may well be the most fruitful source of net income gain in 1959.

It may be difficult for banks generally to earn as favorable a return on their capital funds in 1959 as in either of the prior two years. But the trend for banks should be one of steady improvement as the year progresses and beyond 1959. Banks must help themselves by adequate charges, cost controls, and operating efficiencies.

HERBERT P. BUETOW

President, Minnesota Mining & Manufacturing Co.

The forecast is for the economy to reach new high ground in 1959. Encouragingly, this also looks like firm ground.

Neither inflation nor a boom in any particular segment of the economy is expected to figure importantly in the rise. Instead, it is expected that generally good conditions in all phases of business and industry will contribute to higher productivity, higher levels of employment and individual income, and continuing high levels of expenditures for goods and services by both consumers and industry. Wholesale prices of industrial commodities are expected to advance only moderately, at least through the first half of the year. Competition may prevent even these modest increases from being completely noticeable on the final sales tag.


Herbert P. Buetow

Some credit for today's favorable outlook must be given the recession of last year. Many business and industrial firms are better managed because of it. Greater efficiency and better planning to anticipate rises and dips in the business cycle are noticeable effects which add firmness to the business structure.

The recession and the subsequent recovery, all in the space of a few months, served to make it more apparent than ever that the American economy truly has a broad base. Recession thinking was accelerated in early '58 when the steel and automobile industries made poor starts. In retrospect we see that 1958 was a good business year and that the slump in these two key industries was more than offset by general strength and by important gains in such other basic industries as construction and agriculture.

With the rest of the country, 3M will probably enjoy another good year. We expect established items in the 3M product line to reflect the generally higher levels of business and industrial activity. Again, we are optimistic about the prospects of a number of our newer products. As a consequence, we are planning our operations for 1959 on the basis of about a 10% increase over 1958.

HARRY A. BULLIS

Former Chairman of the Board, General Mills, Inc.
Chairman, International Development Advisory Board

The economic trend has been upward since the first quarter of 1958. Industrial production hit its low point in April and every subsequent month has shown improvement. The pace was a bit slower in September and October largely because of change-over to new models and labor difficulties in the automobile industry.

The outlook is for continued improvement in economic activity in 1959. It seems reasonable to believe that total gross national production of goods and services next year will be in the neighborhood of $465 to $470 billion—up $30 billion from 1958.


Harry A. Bullis

The largest factor in the increase will be consumer spending for goods and services. As the result of increased employment and higher wages, total personal income can be expected to rise as much as $18 to $20 billion. Making allowance for taxes that means added consumer spending power of $14 to $15 billion—and will require that much additional production.

Inventory liquidation subtracted about $5 billion from production during 1958. To make up that deficit and add slightly to inventories which have been depleted too far will call for $6 to $7 billion in output.

Government spending will increase at all levels. Only a portion of the increased expenditures approved by the last Congress were actually expended in 1958. It seems reasonable to believe that Federal expenditures next year will increase at least $3.5 billion and that state and local governments will add another $3.5 billion.

The decline in business expenditures for new plant and equipment seems to have come to a halt, and a small increase is estimated for the fourth quarter. Business is moving cautiously in expanding productive capacity, but there is need for continued improvement in productivity. I look for a small increase in capital investment, perhaps $1 million.

Residential construction showed a strong upward trend during the last half of 1958. I believe housing starts will continue at a high rate in 1959 and that the value of such construction will be somewhat higher than in 1958.

While there are a number of uncertainties, such as the maintenance of farm income, the foreign situation and the prospective Federal deficit, the positive forces for economic growth are very powerful, and I look for good business in 1959.

Food Industry Outlook

The Food Industry will share liberally in the economic upturn which is underway. For many years about one-quarter of family expenditures have gone for food. I believe that proportion will continue in the future. As increasing industrial activity brings higher incomes to more people, more money will be spent for food.

At the present rate of growth our population will reach 193,000,000 by 1965 and 228,000,000 by 1975, according to Census Bureau estimates.

The Food Industry must grow in order to serve the ever increasing number of people. It must grow still more to keep pace with the desire of the American people to upgrade their living standards, including their diets. That provides opportunities for new and improved products with greater nutritive values, more "built-in" convenience and taste appeal and better protective packaging.

With such opportunities ahead, the Food Industry continues to invest millions of dollars annually in research and in new plants and equipment. The Food Industry showed great stability during the recent economic decline and the outlook for 1959 and the years ahead is exceedingly optimistic.

GEORGE M. BUNKER

Chairman of the Board and President, The Martin Co.

It is expected that the nation's defense expenditures will continue at about the same level as in 1958 with aircraft spending dropping off as missile spending increases.

Of these funds, a substantially greater portion will be channeled into research and development contracts compared to production contracts than was the case in 1958. Research and development expenditures already have increased from 1.6 billion dollars in 1956 to an estimated 3 billion dollars for fiscal '59.


George M. Bunker

This increasing emphasis on research and development will require highly trained technical staffs as well as a broader spectrum of integration of diversified skills. Companies so equipped will be in the best competitive position.

Our industry must have the courage and foresight to invest a large percentage of its earnings in facilities and research and development programs, especially in view of the fact that this stepped up pace toward toward research and development contracts will seriously affect the industry's rate of earnings since research and development contracts are traditionally less profitable than production contracts.

The scientific and technical advances in recent years have been so rapid and have made possible such extraordinary improvements in weapons that we cannot afford to supply the defense establishment with the traditional old weapons and the revolutionary new ones too. This fact is basically responsible for the government's effort to exert control on the rate of defense expenditures. This will lead to increasing efforts on the part of the Department of Defense to put the industry on a still more competitive basis on cost.

The trend in defense needs are changing. The emphasis is slowly but surely shifting from conventional aircraft to guided missiles, so that more and more old style facilities for the production of air defense weapons will become surplus. The era of conventional structures is over in our industry; the requirement now is far more complex; it calls for a corporate set-up embracing electro and electro-mechanical capability in missiles plus solid experience in prime contract weapon systems management. This need, if not already obvious, will become crystal clear in 1959.

C. W. BURTON

President, Anchor Post Products, Inc.

The outlook for our business for 1959 is very bright. New orders received in the latter part of 1958 were considerably in excess of orders received in similar prior periods, so that the backlog of unshipped orders on hand at the end of 1958 was approximately 33% greater than the backlog of orders on hand at the beginning of 1958. Most of these orders are for work to be completed in 1959, so that we are assured that the work we will complete in the first half of 1959 will represent an amount in excess of the orders billed in the first half of 1958.


C. W. Burton

Much of our business is sold direct to the homeowner and although we find more credit restrictions in connection with financing such sales, it is also a fact that many of the home-owners have more money saved than at any prior period. We find that this business is growing and we are increasing our number of salesmen and branch offices in order to give proper service to our prospective customers.

All reports indicate the State and Federal Government will continue spending for improvements necessary to keep abreast of the expanding population. These improvements, particularly the highway work, will mean continued expansion of our business. We now sell road guard, sign posts and other highway products, as well as fencing, to help regulate traffic and make our highways safer.

We have anticipated the continued population growth of our country and in addition to opening new branch offices and increasing our sales force, we have increased our manufacturing facilities by adding additional machinery in order to step up production. We have also invested in machinery and equipment to do more manufacturing than at any previous time. For example, we now buy rods and draw our own wire which is fed to our chain link weaving machines to manufacture fabric for fence. Previous to the latter part of 1958, we had always purchased the wire direct from the steel mills.

We have also purchased equipment to manufacture hardware fittings previously purchased from others.

Our Engineering Department has developed a new line of aluminum die castings and we have purchased the equipment to manufacture them. We expect that these improvements in manufacture and design will further improve our competitive position and will result in increasing our wholesale business.

In order to further develop our business, we have increased the advertising appropriation. On the whole, we are starting the new year 1959, and looking into the future, with a very optimistic attitude. Our budgets forecast an increase in our Company's earnings in 1959.

WILLIAM H. BURGESS

Chairman of the Board and President, Electronic Specialty Co.

Further accelerated growth is projected for the Avionics Industry in 1959, based on Federal budget commitments which have already been made for an expanded missile program, and the increasing percentage of the purchasing dollar allocated to electronic and avionic equipment.

William H. Burgess

As we move into the space age, Federal Budget commitments are being made for military weapons systems to maintain technical military superiority as well as to win the present stalemate of the cold war by keeping Russian military expenditures at a high level. These expenditures will eventually be channeled into funds for space exploration to avoid a future decrease in government military spending that could have an extremely adverse effect on the support given the economy in general by this program.

Taxation based on the anticipated increase in the national gross product should continue to adequately support such a program if deficit spending is avoided. Therefore, the Avionics Industry will continue to grow at an accelerated rate.

HON. HARRY F. BYRD

U. S. Senator (D.) from Virginia

These are times when prudent men should analyze the changes which are occurring against the indisputable fact that free enterprise democracy is the source of this country's greatness. There is no doubt that developments such as those in atomic energy, rocketry, etc., have placed us upon the threshold of a new era.

Harry F. Byrd

In addition, this country is experiencing great increase in population.

While we may have unduly exploited our resources, they are still tremendous.

Our productive know-how and capacity are yet unsurpassed.

These are elements on which free enterprise democracy should thrive, and proceed soundly and constructively for the good of all mankind.

Our free enterprise democracy is the greatest system the world has ever evolved. But there is one controlling requirement, and it must never be overlooked. The system is based on solvent government and sound money.

It is in this requirement that we have allowed ourselves to become weak. This basic requirement of our system is equally vital to all of us as individuals, and to every segment of our people — labor, management, agriculture, finance, professions, government, etc.

With fiscal soundness I would have no fear for the future—economically or militarily; I would anticipate the period ahead with enthusiasm for my children and with pride in the contribution of my own generation.

Without solvency and sound money there will be neither solid economic progress nor national security with military preparedness.

Assurance of fiscal soundness in the future does not now exist. This is my concern.

We can not perpetuate national solvency and integrity of the dollar through continuous deficit spending, unchecked national debt, and spiraling inflation. This situation jeopardizes our system of government and our future.

With only two bona fide exceptions, we have been on a deficit financing basis for 29 years. The fiscal situation deteriorated faster this year than in any comparable peacetime period to my knowledge.

Between January and June, we moved from estimates of virtually balanced budgets in the past and current years to combined deficits totaling $15 billion.

At the present rate, Federal agencies would spend more than $400 billion in five years. This would mean a Federal debt of more than $300 billion is in immediate prospect. This would be the highest national debt in the history of the world.

During the last session of Congress we were forced to raise the statutory limit on the national debt twice within seven months. This was unprecedented. But we are forewarned. Some people are now contending the recent election was a mandate for even more dangerous Federal spending activity.

If more programs for nonessential spending should be adopted by the new Congress convened recently, our fiscal situation will deteriorate faster next year.

From experience it is to be expected that, if such new programs are enacted they will be long-term in nature with huge multi-year commitments for the future. It is programs of this kind that make the Federal budget so difficult to reduce when the necessity is upon us.

Contrary to general understanding, recent great increases in Federal spending have not been for defense and foreign aid. They have been for domestic-civilian programs.

Since 1954 expenditures outside of defense, atomic energy and foreign aid categories have increased from $19.1 billion a year to $33.4 billion. This is an increase of $14.3 billion, or 75%.

It is in this category where we find so many Federal programs which may be popular, or even desirable, but nonessential.

Much of the domestic-civilian spending is for subsidies. And many of these subsidy programs are bottomless pits for Federal spending and contribute to sky-high inflation. Most of the proposals following the recent election were of this nature.

The Federal Government of the United States can not now pay its bills except by increasing debt and inflation.

Revenue from present tax rates does not meet our commitments.

Interest on the Federal debt is now taking more than 11 cents out of every tax dollar, and chronic inflation has reduced the purchasing power of our money 52%. The American dollar is now worth less than 48 cents by the 1939 index.

Inflation destroys fixed incomes, provident investment, prudent business, sound financing, national security, and democratic government.

More than 20 years of destructive inflation in this country to date have led to continual demands for increased subsidization.

The Federal Government is now subsidizing business, industry, private finance, agriculture, transportation, power, health, education, States, localities, individuals, etc.

By the process of cheapening our money and centralizing power in the Federal Government, we have descended to a level of state socialism which is obvious, if not admitted.

Social democracy is a subterfuge for sound government and constructive enterprise. Its evils are historically documented wherever nations have stooped to it.

Herein lies my concern, as I indicated before. Our free enterprise democracy is being undermined. In our present position there is no assurance of fiscal soundness for the future. In these circumstances, how can we hope fully to develop the great potentialities which lie ahead?

I think the situation is urgent. We must start Federal fiscal recovery immediately. Such recovery must start with balancing the budget, reducing the debt, and stopping inflation.

I hope the President's State of the Union Message of January 9 will inspire the people of this Nation to a grass roots crusade for reduction in nonessential expenditures.

I believe such action is urgently needed to preserve our form of government, the value of our money, and our free enterprise system.

ORVILLE S. CARPENTER

President, Texas Eastern Transmission Corporation

We anticipate that 1959 will be another year of significance for Texas Eastern Transmission Corporation. The company's Gas Division will be concentrating on the development of facilities to expand our new winter service program, a program designed to supply extra quantities of gas to our customers under long-term contracts to meet peak market demands. This will include development of Texas Eastern's one-fourth interest in the Leidy and Tamarack storage pools in northern Pennsylvania, construction of a new pipeline lateral, loops and a new compressor station. The added storage capacity will augment that of Oakford storage, the company's presently operating underground storage area for natural gas, to supply the peak demands of winter.

Orville S. Carpenter

Our Little Big Inch Division will be concentrating on building up barrelage through its common carrier petroleum products pipeline system during the year. Of special importance will be completion and beginning of operations at the company's first underground storage facility for LPGAS at Todhunter Terminal, about 30 miles north of Cincinnati, Ohio. Three underground storage caverns will be placed in service along with a fractionating and dehydrating plant, and truck and rail loading facilities. The company will also be concerned with developing additional LPGAS underground storage capacity especially in the Houston-Beaumont area, the origin part of the line, as well as further enlargement of underground storage at the eastern end of the system.

Our attention during 1958 was centered primarily on clean-up operations from one of the largest construction and expansion programs in company history, and placing newly constructed equipment in service. Efforts were concentrated on making greater supplies of gas available to our customers on an even more dependable basis and on enlarging and improving our petroleum products transportation service.

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R. CARRION, JR.

President, Banco Popular De Puerto Rico, San Juan, Puerto Rico

The index for banking in Puerto Rico in 1959 is distinctly favorable reflecting the continued growth of Puerto Rico's economy which is conservatively expected to expand at least 7% over 1958.

Capital investment has risen from below $100 million to $250 million with an investment per worker rising from $4,600 to $8,300. Labor income has also risen and is now $670 million.


Rafael Carrion, Jr.

Agriculture, once the mainstay of the economy, is going forward with modern mechanization and diversification with new distribution outlets created by thriving Supermarkets for vegetables, fruits, poultry and dairy products. Tourism and manufacturing has advanced at a greater rate than agricultural production. Three new attractive resort hotels have been opened and a number are expected to break ground soon further serving as an attraction for the invisible supply of tourism dollars.

The recovery of business activity following the rolling adjustment on the mainland is still on the ascendency —it is to be hoped that this will be a balanced one and not take the form of abortive excesses and speculative overexpansion.

An indication of the expansion is evident by the increase of telephones standing at over 63,382 versus 52,012 in 1957 and 46,688 in 1956. Also, in the consumption of kilowatt-hours of electrical energy of 117,386,000 versus 102,366,000 in 1957 and 82,338,000 in 1956.

Income tax collections are at the annual rate of $50,-700,000 versus $46,800,000 for fiscal 1957.

Puerto Rico has been allotted $6,297,000 in Federal funds for highway improvement for the fiscal year starting July 1, 1959.

Bank operations have grown at a faster rate than the general economy—loans expanding 180% and private deposits 130% compared with the estimated 70% increase of the gross product and were equal to 74% of deposits. Puerto Rico's inclusion in the 2nd Federal Reserve District as a par collection point also has expanded the mobility of funds between the mainland and the Commonwealth. The banking system is comprised of 13 banks with a branch network of over 90 offices with new branch offices contemplated.

HON. EMANUEL CELLER

U. S. Congressman (D.) from New York

The first and most apparent change over the last Congress is the addition of a substantial number of new Democratic members in the House and Senate. While I deplore ideological labels, nontheless, for purposes of convenience, most of these new members can be deemed "liberals." They will play an important role in the 86th Congress and give a liberal twist to the consideration of all legislation.


Emanuel Celler

The presence of these new Democratic legislators will be strongly felt when Congress comes to the consideration of legislation directed at curbing the powers of the Federal judiciary. The difficulty which the Court curbers experienced in the last session will be compounded. In view of the complexion of this Congress, it is doubtful whether any legislation substantially jeopardizing the independence and status of the Federal courts will be passed.

As a result of the leadership vacuum left by a caretaker Administration, this Congress will be vitally involved in a legislative program directed at restoring America's position in the world. While I do not believe that Congress can provide a perfect substitute for effective executive leadership, nevertheless, something has to be done and this Congress will, I think, rise to the occasion. I am hoping for substantial and realistic foreign aid appropriations, that is, a proper, effective balance between military and economic aid.

Certainly, our military position relative to the Soviet Union will be carefully studied. We must have a position of strength from which to negotiate with the Russians. If this involves the expenditure of more money than the Administration proposes, then we cannot afford the luxury of a false military economy. I am convinced that Congress will have to appropriate more than we have spent for the current year for defense.

In spite of the recent glow of optimism in certain financial quarters, the country still faces serious domestic problems. These are not only economic problems, but they are the normal growing pains of an expanding society. The plain fact is that we have more people than ever before and they are demanding more services. They have definitely registered a protest against the standpat conservatism of the Administration. The people need more schools with enhanced educational facilities and better paid teachers. Recent Russian technological successes, as exemplified by the Russian Lunik, have made us acutely aware of the American educational lag. If the Administration is not, voters *are* aware that educational status quo is national suicide. The nation also wants and the new Congress will give them more public housing, urban development and more and better roads.

The lengthening of the life-span of our citizens has presented us with a new problem in providing for our aged. It also provides us with the opportunity to develop these citizens as a new, productive force in our society. Congress will concern itself with legislation to accomplish this goal.

Engraved on the rim of the Liberty Bell in Philadelphia are the words of Leviticus—"Proclaim liberty throughout the land to all the inhabitants thereof." To make good that proclamation, we need a Civil Rights Bill stronger than the Celler Civil Rights Act of 1957. That Act implements the 14th Amendment, but limits enforcement to judicial decree. Civil Rights legislation must be expanded so that violations of a statute guaranteeing equal educational rights shall incur sanctions and punishments. Only then will we be harkening to the voice of Leviticus by giving liberty to all the inhabitants.

GEORGE S. CASE, JR.

President, The Lamson & Sessions Co.

As the extent of the 1958 slump was greater than expected, so the expected upturn in 1959 could be more than mild. We are confident of a reasonably good year for the bolt and nut industry, and its might be one of our best.

Lamson & Sessions' modernization programs are showing results in reducing expenses, improving quality, and bettering service. Unfortunately, cost reductions do not keep pace with higher costs, but, without the expenditures that have been made for modernization, our profit picture would be much smaller or perhaps non-existent.


George S. Case, Jr.

As yet, we are not getting the full benefits from our recent building program, but most of these benefits should come in during 1959. Our expenditures in the future will not be as large as they have been in the past, but they still will be significant as we are not curtailing our new programs.

There are danger signals flying for all of us in metal fabricating industries. As our customers make more of their products abroad because of tariffs or lower labor rates, we lose a substantial part of our market. Meanwhile, we find ourselves priced out of foreign markets, even those without high tariff walls around them. Our response to this problem is to make, on our machinery, items that heretofore have been made by other processes. It will be successful, but the overall problem of few import restrictions on products coming to the U. S. A., and many import restrictions in foreign countries, needs more governmental attention.

High individual and corporate income tax rates, plus restrictive depreciation allowances prevent the accumulation of resources for greater productivity on present jobs and the formation of new jobs. These problems must be solved before the dreamed-of higher standards of living for the decade ahead can come true.

In spite of these problems, 1959 would appear to be one of good business activity, and the long-range future appears to be bright.

CLOWES M. CHRISTIE

President, The Dayton Rubber Company

Our company expects record sales for 1958 and an even brighter outlook for the coming year. Preliminary figures indicate the firm has topped the 1957 record sales of $83,613,850. And it certainly won't stop with 1959. We're going to continue to grow substantially every year.


C. M. Christie

We're over the hump and we are going to keep climbing. During 1958, the so-called recession year, our sales reached the highest point in our history. If we can do that well in '58, think what we can do when the nation's economy starts going in high gear again!

In the Spring of 1958 when many firms were cutting back production or even closing down some plants, Dayton Rubber announced it would build a new multi-million dollar plant in Springfield, Missouri. When completed early in 1959, it will be the most modern V-Belt plant in the nation.

The company's 62-acre Springfield site leaves plenty of room for future expansion, a move that has been repeated many times in the far flung network of plants.

As the Springfield operations grow, there will be a gradual transition to virtually 100% tire production at the Dayton plant.

The successful establishment of company operated branches in a number of major market areas has resulted in increased tire sales this year. Industry forecasts expect higher sales in 1959. With a continuation of our technical progress and efficient marketing techniques, Dayton Rubber is going to get an increasing share of the tire market.

Earlier last year we dedicated a million dollar research center in Hawthorne, Calif., home of American Latex Products Corporation, a wholly owned subsidiary of Dayton Rubber. The center was named in honor of A. L. Freedlander, Chairman of the Board, one of the pioneer researchers in natural and synthetic rubber developments. It will be devoted to basic research in urethanes, by far the brightest star to appear on Dayton Rubber's horizon since the company built the world's first synthetic auto tire in 1934, seven years before Pearl Harbor gave it dramatic significance to the man on the street.

The rising tide of urethanes virtually engulfed the company's sales department. The growing number of potential applications for urethanes outstripped the mushrooming demands. With the formation of a Plastics Division, the coordination of the company's Marietta, Ohio, and Hawthorne, California, production facilities have resulted in the most complete line of urethane foams in the industry.

From missile nose cones to the Navy's Nautilus, urethane foam has gone aloft and below as a potting agent for delicate electronic equipment and wherever lightweight structural support is needed. The division has stepped up sales of liquid chemicals to manufacturers for an infinite variety of foamed in place applications.

Recognizing the sales potential for highly engineered molded rubber products, we established a new sales division with a fabricating plant in Three Rivers, Mich.

The division markets natural and synthetic rubber industrial machine parts ranging from tiny bushings to giant steel mill rollers. Future plans call for development of special elastomers for precision parts and continued research in the field of vibration control.

Another bold move in a year of business cutbacks was Dayton Rubber's establishment of foam fabricating plants and sales offices throughout the Southeastern furniture market. The result has been vastly improved service and a substantial increase in sales in the key furniture market areas.

We got through a recession year with record sales, and we're gathering our momentum. Operating economies and increased production facilities should combine to make '59 one of the best years in Dayton Rubber history.

O. W. CASPERSEN

President, Beneficial Finance Co.

The year, 1958, opened with considerable apprehension on how deep and how long the business recession, under way, would run. The run-off, indeed, was sharper than the previous two post World War II adjustments, but there was more pessimism than the facts then warranted.


O. W. Caspersen

In our forecast for 1958 we said: "In our economy it takes time for forces once in motion to work themselves out and for new ones to exert their full impact. The adjustments now in motion should carry economic indicators mildly down for some months in 1958. By mid-year the forces of recovery should begin to emerge and gather strength."

Recovery can definitely be marked as starting last April. Considerable of the recession loss has already recovered with a speed that confounds the pessimists.

But recovery has been uneven and many of the indicators are still below the last peaks. And the pace of continued recovery bids fair to be slower in the months ahead than it has been since last April. Until the production index and the employment index reach and surpass former levels we cannot say that we are fully recovered.

By all indications the production index will recover completely sooner than the employment index. Business benefits from increased productivity before it has to hire additional workers. This is the natural result of increased attention to cost cutting in a recession period and to the coming into production of new and more efficient plant and equipment.

All in all, 1959 should see the recovery gradually attain former levels in the production index first and then progressively eat into excess unemployment. Because of rising indexes, business sentiment will be good, but boom conditions—when production and employment surpass the last peaks—will probably not come before 1960.

Now what about consumer credit.

Experience during the recession does not justify the fear about consumer credit repayments. The record of repayment has been impressive. Naturally there has been some slow-down and some increase in repossessions of consumer durable goods in areas where unemployment has been concentrated. But the increase has been moderate—much less than seasoned finance company executives had anticipated.

The consumer not only kept up his payments, but, contrary to the expectation of some, the heavy load of debt did not lower consumer buying power during the recession. For various reasons, in spite of the recession, disposable personal income—that is take home pay with the tax bite taken out—is actually several billion dollars higher at an annual rate than in 1957.

And consumers have not been salting the increase away in any greater proportions than in 1957. In the year of recession they spent at an annual rate in excess of last year. The sustained spending by consumers has kept the recession from sliding into a dangerous tailspin.

Only they haven't been buying the same things. They are spending $2.5 billion more on soft and non-durable goods and $6.5 billion more on services than last year, but they are spending $4.5 billion less on automobiles and other consumer durable goods.

While staples, among consumer durables, have not been doing well, other durable goods with sales appeal have been doing very well. Sale of farm and home freezers, built-in electric ranges, electric water heaters, and food waste disposers exceeded those of 1957.

Because they haven't bought as much consumer durables in toto as last year, consumers haven't used quite

as much consumer credit. There has been some run-off in consumer credit receivables.

Cyclical swings in the purchase of consumer durable goods are inevitable with, or without, the widespread use of consumer credit. These swings are inherent in the nature of durable goods.

Such durable goods are bundles of utilities which can be drawn on over a period of time. This makes the economy more vulnerable to cyclical fluctuations. But the vulnerability is in the nature of consumer durable goods, and not in the use of consumer credit to buy them.

Indications are that automobiles and other consumer durable goods will be more prominent in 1959 consumers' budgets. That means an increase in the use of consumer credit in 1959.

WALKER L. CISLER

President, The Detroit Edison Company

The Detroit Edison Company looks toward 1959, in Southeastern Michigan, with measured optimism. During the final weeks of 1958, as the automotive industries began to achieve their planned production schedules, industry generally experienced a definite upturn, and there are signs that broad advances in general business activities are under way. At least one automobile manufacturer has increased its production schedules for the next several weeks.

Walker L. Cisler

We see a modest increase in home building and are anticipating that about 27,000 new homes will be completed in our service area in 1959. This is not up to the figures of 1955 and 1956, yet is about 23% more than the 22,000 homes which were completed in 1958. All results so far point toward a continued growth in the domestic and commercial appliance sales as well as in electric heating.

There has been a decrease in commercial business in the larger urban districts of our service area. However, this has been more than offset in the development of commercial businesses in the large shopping centers of the suburbs. Considerable construction activity is anticipated in 1959 for office and service purposes. This, of course, means to some degree increased opportunities for employment in service type jobs.

In the industrial field, further diversification and a changing industrial pattern is being experienced through the greater utilization of the natural resources of Southeastern Michigan. A large new cement plant and a silicon mining project are examples. The established industries which are reapproaching normal production levels have plans for further capital investment though it seems unlikely at this time that many such projects will be activated before the last half of the year.

Through research and development, many new applications and uses of electricity are rapidly moving forward. New horizons are continually opening up for the use of electricity in the home, on the farm, in retail business and in industrial production. All of these, we believe, will mean continuing growth.

JAMES A. CATHCART, JR.

President, General Reinsurance Corporation

In the field of property and casualty risk-taking, one has to be somewhat guarded in making forecasts. Unforeseen events of major proportions such as a number of wide-sweeping windstorms, or a sharp inflationary swing in the economy, can turn a year of marginal profit into a year of underwriting loss. This is true not only in the case of an individual company, but for the insurance industry at large.

J. A. Cathcart, Jr.

Nevertheless, the American insurance and reinsurance industry have developed capital resources and protective techniques of risk spreading to a point where the market can successfully withstand shock losses, at least up to the cost of those which have occurred in the past. Barring unlikely disasters of even greater magnitude and also barring a marked drop in the purchasing power of the dollar, it seems reasonable to assume that 1959 underwriting results will show considerable improvement over those witnessed during the last three years.

The property and casualty insurance industry has been travelling through its worst historical cycle during which many millions of dolars of underwriting losses have been suffered. A sustained period of underwriting losses generally sets the stage for a succeeding period of satisfactory results. Adversity inevitably forces an improvement in general rate structure; a reduction in costs of marketing and processing; discouragement of much uninformed and reckless competition to the point of elimination; and a more sympathetic understanding on the part of rate regulatory bodies (regulatory agencies being political in nature are reluctant to impose higher rates on the insurance-buying public, but in the final analysis they are even more reluctant to allow an inadequate rate level to threaten solvency of weak insurers).

These factors have all been at work. It takes time for corrective action to reflect itself in insurance operating results, but during the latter part of 1958 we have seen an improvement in operating figures and there is reason to hope that this trend will continue in 1959. Of course, there is always the spectre of further sharp inflation which unquestionably would cause an increase in the average loss payment without a commensurate increase in premium rates until a later year. This development would leave the primary insurers in the same sad state from which they have been striving vigorously to extricate themselves.

An insurance company seeks its profits not only from its underwriting activities but also from its investment income. In the investment area the industry has turned in an excellent result with respect to both income and capital gain. This phase of an insurer's operations is directly dependent upon the overall business economy and if 1959 shows the generally expected improvement in national economy, the operating figures and the balance sheets of insurance companies will benefit accordingly.

The fortunes of the American professional reinsurance industry are tied closely to those of the primary companies. If what seems to be the probable improvement in primary underwriting results takes place in 1959 the reinsurers could receive benefits to an almost proportionate degree.

GEORGE L. COBB

President, S. H. Kress & Company

Before making a forecast for 1959, I think it well to emphasize that in any given year the economic trend, be it good or bad, will not be uniform in its application to various types of business, nor to individual companies in any particular field. One of the great strength of the variety store chains, such as S. H. Kress and Company, is the fact that we cater to the broadest possible mass consumer market, and the tremendous diversity of merchandise which we offer to the public is legendary — and growing more so every day.

George L. Cobb

It is also true that there never was time when competition was keener in the mass distribution of goods. Food chains are selling non-food items; discount houses are multiplying; variety stores are frankly invading the department store field; and drug stores seem to sell most anything. Downtown merchants are banding together in joint promotions to meet the competition of shopping centers in the suburbs.

While the greater publicity has been given to the technological advances of industry, the current changes in methods of distribution and retail selling are remaking the commercial map of the nation. Obviously these conditions place an increasing premium on the skills of scientific management.

If any mistake has been made in the past, it is the fact that management has concerned itself so much with selling merchandise that we have not given sufficient thought to selling the free enterprise system which makes the whole thing possible. Bigness gets criticized without regard to the efficiencies that only bigness can produce, and strange economic theories are bandied around, such as getting more for doing less. I predict that in the future management will pay more attention to publicizing the true economic factors that have given America the highest standard of living that the world has ever seen.

Speaking now of 1959, I believe that the healthier business tone which became apparent in the second half of 1958 will continue through the coming year, recording steady but not spectacular gains. Naturally, retailers as a whole will expect their volume of sales to follow through on this gradual, upward trend.

But volume by itself is not enough if the margin of profit is unsatisfactory. In the year just passed, many companies, in both industry and merchandising, including some of the best known firms in the country, saw their profit margins squeezed.

I believe that the challenge for 1959 will be for capable, aggressive management to insure both the volume and the profit necessary to give the stockholders a fair return on their investment and at the same time provide the capital funds for the orderly growth that the future will surely require. I have confidence that this can be done.

L. L. COLBERT

President, Chrysler Corporation

After a year in which automoble sales dropped far below the average of recent years, there are many indications of a substantial improvement in the market for cars during the coming months.

L. L. Colbert

Although it is always hazardous to make predictions about the size of markets, and especially about the automobile market, present signs indicate that this year the industry could sell about a million more cars at retail in this country than in 1958. The estimated number of retail sales of passenger cars in 1958 is approximately 4,600,000, including imported cars. We at Chrysler Corporation believe that in 1959 the total will be in the neighborhood of 5½ million. And with the right combination of market factors, it could go as high as six million, including about 400,000 imported cars.

Here are some of the reasons for anticipating a good market for automobiles next year:

(1) The 1959 models have been well received by the public. Helping to excite the consumer's interest are many new and attractive features, including basic restyling and numerous engineering advances. The new-model changes are more sweeping and more important than in any model year in the history of the automobile business with the single exception of 1955, and they should continue to be an important market stimulant.

(2) Hundreds of thousands of prospective buyers postponed their new-car purchases during the months of economic uncertainty in 1958, and we believe a sizable percentage of these people will be in the market for new cars in 1959. Retail sales over the past six years have averaged nearly six million a year, but the widespread

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postponement of car buying pulled 1958 sales well below this average. It is reasonable to expect that, with improved economic conditions, 1959 will come closer to being an average year for the automobile industry.

(3) Throughout 1958 there has been a strong and steady demand for used cars, and used-car prices have remained firm. We believe this is clear evidence of a strong, continuing demand for automobile transportation which could express itself in new-car sales in 1959. Higher used-car prices will also mean better trade-in vaules for the new-car buyer.

(4) A great many consumers are in an excellent financial position to purchase new automobiles if they choose. Personal savings have risen steadily since the first quarter of the year. Personal income is at a record level. And throughout the year automobile installment debts have been paid off faster than new debts were assumed. From October, 1957, to October,1958, there was a faster and steadier decline in automobile installment debt than in any 12-month period since the end of World War II.

(5) There is evidence that 1959 will be a very good year for business generally. The national economy is showing many indications that it will continue its recovery from the recession and expand steadily, though perhaps only gradually, in the year ahead. Surveys indicate growing confidence among both consumers and businessmen. And improvement in confidence could mean a real lift for business in general and for the automobile industry in particular.

Here are other recent signs of economic strength: Consumer spending is at a very high rate. Present rates of expenditures by Federal, state and local governments are at high levels. Factory producton has shown definite gains in recent months. Liquidation of business inventories is tapering off, and in some industries there has been a flow of new orders to replenish dwindling stocks. Residential construction activity is high. And expenditures for new industrial plants and equipment in the first quarter of 1959 are expected to continue the upward trend which started in the present quarter.

The car buyer is being presented with a very wide choice of brands, models, colors, engines, suspensions, transmissions, and prices. In addition to the 16 makes and 237 models of U. S.-built cars, he can choose from at least 55 different brands of imported cars in a wide range of prices. And cars produced in this country are giving him the greatest variety of body styling and the broadest range of optional equipment he has ever enjoyed.

With this wide selection of automobiles, and with manufacturers and dealers working hard to make up for a below-average 1958, competition for the customer's favor will be very active. We at Chrysler believe 1959 will be a good year for the automobile buyer. We think he will be able to find a car he likes and at a price that fits his means. And a year that is good for the buyer should also be a good year for the industry.

HAROLD W. COMFORT

President, Borden Company

The year 1959 will be a good year for our company. Earnings should reach an all-time high, and dollar sales should be close to, or might possibly exceed, the record levels of 1957.

There are several reasons for my optimism. Economists predict a healthy business climate in 1959. This will have a beneficial effect on disposable consumer income, an important factor in the purchase of non-durable, as well as durable, goods. The rising population trend is also favorable to us as a food company.

Harold W. Comfort

Changes in our organizational structure and major realignment of some of our marketing procedures, initiated early in 1958, have already shown encouraging results. The period of adjustment that always accompanies such moves is about over; the economies and efficiencies stemming from these changes will be reflected in our 1959 operations.

We have terminated some unprofitable operations. This has resulted in a slight decline in dollar volume for 1958. However, earnings will be higher since our rate of profit has increased. The beneficial effect of these moves will be more marked in the coming year.

Two of our major new products—Super Starlac nonfat dry milk and Instant Whipped Potatoes—have met with excellent consumer acceptance in the areas in which they have been introduced. They should be in national distribution in the first half of 1959.

Several other significant new products, now in the laboratory stage, should be ready for test marketing before the coming year is over. We will also give increased emphasis to our cheese business.

In the industrial field, our chemical operations will continue to expand. We are planning both to enlarge and diversify chemical foreign operations during 1959. Our completely integrated methanol plant in Brazil, under construction for two years, is ready to go on stream. Another chemical plant in South America is under consideration.

An increasing population and rising consumer incomes should benefit our milk and ice cream sales. With some 90% of homes equipped with refrigeration, many with freezers, housewives are more and more buying their ice cream with their groceries. Unseasonable summer weather has affected ice cream sales in the past two years. Viewing the historic weather cycle, however, we are hopeful that the coming summer months will be favorable.

RALPH J. COMSTOCK

President, First Security Bank of Idaho, Idaho

The year 1959 promises to be the biggest year in our history. Substantial increases are expected in Gross National Product, national and personal income with the rate of increase corresponding somewhat to that of 1957. Not all segments of the economy will increase at the same rate, but continued upward adjustments which began in the last quarter of 1958 are anticipated. Trends in production and trade from October, 1958, through June, 1959, should be quite similar to those prevailing from late 1954 through the early part of 1955. Automobile and housing development, however, will not be quite so dramatic as they were in 1955. Sales will be at new high levels with possible decreases in unit costs. Profits should be larger. Consumer incomes will increase somewhat and living costs should be relatively stable. Patterns in segments of the economy should be somewhat as follows:

Ralph J. Comstock

(1) In the first half of 1959 industrial production should increase by 10% from the 1958 levels and should approach the all-time high reached in December, 1956. Most mineral production will be slightly higher than in 1958 with an upward trend both in production and prices of metals in significant contrast to one year earlier. Lumber production should continue the increase which started last June; demand for housing and other construction materials are significant in this respect.

(2) Total agricultural income and cash farm income will be almost equal 1957 totals, but net income will be possibly 5% lower than in the excellent year of 1958. The huge crop surpluses hang over the market at least the first six months. Lower soil bank payments are expected. Livestock prices, however, should be relatively firm.

(3) Construction should continue at a rate close to that of 1958. This applies especially to housing which should exceed one million dwelling units. Tight money markets and some discount on mortgages are slightly deterrent factors in expanding housing construction. Local government construction for schools and public services should equal that for 1958. Highway construction, now rolling under the expanded program, will increase and be at the rate somewhat similar to that of the last part of 1958.

(4) Continued increases in savings are anticipated at commercial banks and other institutions, but the rate of increase may be slightly lower than in 1958, especially if consumers increase their buying as anticipated.

(5) Interest rates will continue at high levels and possibly increase further. Tight money policies on the part of the Federal Reserve in an effort to avoid the increasing inflationary pressure will be a significant factor in this respect. Inflationary pressures are significant factors.

(6) Retail trade should be good including that of automobile sales. Stable prices are generally anticipated.

(7) Employment will increase by one and a half million, unemployment will decrease by more than one million.

SIDNEY B. CONGDON

Chairman of the Board, The National City Bank of Cleveland, Ohio

Most business analysts visualize 1959 as a materially better year than 1958 and the best year yet for the overall economy. If they are right, and I think they will be, it also is going to be an excellent year for banking. As the servants of the business and family units which make up the overall economy, banks prosper as their customers prosper.

Sidney B. Congdon

One reason why an upward trend in business benefits banks is that interest rates usually rise along with the economy. This partly reflects basic supply and demand factors and partly policy changes by the monetary authorities. If history repeats itself, and it usually does, interest rates in 1959 will on the average be higher than they were in 1958. Interest rates today still are on the low side compared with the years prior to the 1930s. A favorable economic climate in 1959 also should bring further growth in the earning assets of commercial banks. It is noteworthy that total loans outstanding at all commercial banks combined actually averaged higher in the recession year 1958 than in the boom year 1957. In the year to come, a rising trend for business presumably will add to business needs for bank credit. An encouraging economic climate, furthermore, will stimulate the purchase of new homes and automobiles which will in turn be accompanied by more demand for real estate and consumer loans.

Some observers, noting the expansion of bank loans during the postwar period, are questioning whether banks will be willing to add to their loan portfolios. They note that the ratio of loans to deposits at all commercial banks was 47% last October, compared with 38% in October of 1954 when the economy was coming out of that recession and 30% in the comparable month of the 1949 recovery. Nevertheless, there would seem to be room for further growth, as evidenced by the fact that during the 1920s the ratio ranged between 65% and 70%.

Furthermore, loan growth in 1959 probably will be moderate rather than excessive. For one thing, banks will not be called on to finance all of the expanded cash requirements of business, inasmuch as greatly improved corporate earnings will fill a substantial portion of cash needs. For another, repayments on mortgages and consumer installment loans already outstanding are so large that the relending of those funds will take care of most of the loan demand in those classifications.

The monetary authorities logically may be expected to acquiesce in the moderate banking growth which would be required to finance full recovery in 1959. Their objective is not to starve the economy by limiting its credit supply, but rather to gear the supply of credit to the rate of growth in the economy's physical volume of activity.

In summary: Good prospects for the overall economy in 1959 suggest it also will be a good year for banking. With interest rates at a favorable level and a moderate growth in earning assets, bank earnings should be excellent in the year to come.

GEORGE H. COPPERS

President, National Biscuit Company

The outlook for the food industry in 1959 is very favorable. Sales volume should climb to new levels and the pace at which the industry has moved in recent years should pick up additional momentum in 1959. Not as hard hit as some other consumer goods industries during the past year, the food business stands to benefit from the general economic recovery now underway.

George H. Coppers

There are no expected shortages of agricultural commodities in the year ahead. The food industry's plant and equipment has never been as up-to-date or productive. These factors, plus the steadily increasing demand of a growing population, should assure the industry of a ready market for a greater abundance of food products.

Competition in our industry will intensify in the coming year. The keen struggle for shelf space and position in the retail food outlets is never-ending, and it will heighten in 1959. We will have to make heavier demands of our marketing plans and strategies to successfully meet stepped-up competition. Advertising and marketing efforts will have to be boosted to stimulate consumer interest and buying.

Food processing companies and manufacturers are doing more and more research, activity which should result in the constant introduction of new and better products. Consumers have come to expect them and we had better be prepared to deliver. But no new product program can be allowed to proceed helter-skelter, without regard to a proper balance with the established, popular varieties with which most food companies are closely identified.

The constant pressure on margins will increase the necessity of finding better and more efficient methods, not only in production but in every aspect of the business. The war on waste must be relentless. All of us in the food field will have to continue the close examination of methods and costs in all phases of our operations. No company, however strong its present position, can afford the luxury of complacency. Only those firms using every available resource to improve performance can hope for success in the fight against tightening margins. For those who are willing to wage this fight with vigor and determination, 1959 can be a fine year.

J. E. CORETTE

President, Edison Electric Institute
President, The Montana Power Company

With the Nation's economic recovery expected to continue at a moderate rate in 1959, the electric utility industry is looking forward to another record-breaking performance with residential, commercial, industrial and farm sales all expected to record new highs during the coming year.

J. E. Corette

More electric customers and greater consumption per customer are factors behind the projected growth in sales. Average use per residential and commercial customer set new records in 1958, and it is anticipated that industrial use also will see a distinct upturn in 1959 as manufacturers seek increased productivity and lower costs through expanded use of electric power.

To meet the predicted increase in the demand for electricity, the electric utility industry expects to keep right on adding to America's power supply during the next 12 months. Last year, investor-owned power companies invested $3.8 billion in new plant and equipment, or $100 million more than they invested in 1957. Construction expenditures during 1959 will at least equal the 1958 total, and

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Second Successive Annual Rise in Death Rate

Moderate increase in general death rate in 1958 for United States, due to widespread outbreaks of respiratory disease, following epidemic of Asian influenza, reported by Metropolitan Life Insurance Company statisticians. Mortality from cancer and diabetes unchanged from previous year, with slight decline from accidents. Outlook for country's future health regarded as excellent.

In 1958, for the second year in a row, the general death rate for the United States is higher than it was in 1956, the statisticians of the Metropolitan Life Insurance Company report. The rise is due largely to widespread outbreaks of respiratory disease in the early months of 1958 which followed the epidemic of Asian influenza in the closing months of 1957.

The increase, however, was quite moderate. The death rate for 1958 is estimated to be 9.6 per 1,000 population—the same as it was for 1957—which is only 2% above that for 1956 and 4% above the all-time low of 9.2 established in 1954. For 11 years in succession now the mortality rate in our country has been below 10 per 1,000.

"The death rate from influenza and pneumonia in 1958 will approximate that for 1957," the statisticians note. "The mortality from these causes in the two years is the highest in about a decade, but is still less than half the level prevailing in the immediate pre-World War II years, prior to the widespread use of sulfa drugs and the antibiotics.

The impact of the epidemic was particularly great among older persons with chronic disease. Consequently, the death rate from diseases of the heart, arteries, and kidneys, which now account for well over half of all deaths in the United States, rose markedly in the early part of the year. In the January-March period of 1958, the death rate from diseases of the heart, arteries, and kidneys was nearly 600 per 100,000, an increase of 8% over the like period of 1957. The disparity narrowed in succeeding months, and the outlook is that the mortality from these diseases for the year as a whole will not be appreciably different from the rate for 1957.

Cancer Toll Constant

The mortality from cancer, which now accounts for almost one-sixth of all deaths, was practically at the same level in 1958 as in the preceding year, the statisticians state. In view of the increasing proportion of older persons, who are the chief victims of cancer, this record may be viewed as somewhat encouraging. Some significant gains are being recorded as the result of early detection of cancer, particularly for certain sites among women.

The mortality from diabetes in 1958 likewise was little changed from that in 1957. Drugs taken orally have recently been found effective in controlling the blood-sugar level, and while their definitive evaluation will take time, present prospects are encouraging.

Continuing its long-term downward trend, the death rate from tuberculosis decreased slightly to 7 per 100,000 in 1958, it was reported. The tuberculosis death rate has dropped more than 50% in the past six years and about 75% in the past decade, mainly as a result of the newer methods of treatment.

The number of poliomyelitis cases in 1958 exceeds by a small margin the 5,894 cases reported in 1957, the statisticians estimate. In sharp contrast, in 1955 about 29,000 polio cases were reported, and in 1952 nearly 58,000. The low incidence of the disease in the past two years reflects in large part the effectiveness of the Salk vaccine. However, 1958 saw a relatively high proportion of paralytic-type cases.

"The concentration of these cases among the unvaccinated points up the need to accelerate the vaccination program," the statisticians comment.

Childhood Mortality Continues Low

Childhood mortality in 1958 continued at the extremely low level of the last few years. Although 1958 was a "measles year," with an increase of nearly 60% in the case frequency over 1957, the number of deaths was relatively small.

Mortality among infants is adversely affected during periods of high incidence of respiratory infections, and consequently the infant mortality rates in 1958 and 1957 showed no improvement over that in 1956. This is the first interruption in the long period of rapidly declining rates. Nevertheless, the 1958 infant mortality rate is about a sixth lower than that recorded 10 years ago. Maternal mortality has not changed appreciably between 1957 and 1958, remaining at the very low rate of about 4 per 10,000 live births.

The death toll from accidents was a little lower in 1958 than the year before. Part of the improvement reflects the decrease in fatalities from motor vehicle accidents.

"The outlook for the country's health in 1959 and the years ahead is excellent," say the statisticians. "The major task ahead is the control of chronic disease, especially diseases of the circulatory system and cancer, which have become increasingly important with the growth of our population of elders. The nation's health will benefit as various programs for health services continue to develop. An important factor in promoting the use of these services is the rapid growth of health insurance."

With Patrick Clements

(Special to THE FINANCIAL CHRONICLE)

HOLLYWOOD, Calif. — Ira B. Smith is now affiliated with Patrick Clements & Associates, 6715 Hollywood Boulevard. He was formerly with James L. Fallon Co.

Phila. Mun. Club Receives Slate

PHILADELPHIA, Pa.—Charles E. Hoerger, of Merrill Lynch, Pierce, Fenner & Smith, Inc., has been nominated for President of the Municipal Bond Club of Philadelphia for the coming year, James W. Heward, of Butcher & Sherrerd, President of the Club, has announced. The election will be held at the Club's annual meeting Feb. 5, at the Orpheus Club, Philadelphia.

Donald W. Poole, of Poole & Co., was nominated for Vice-President; Alexander B. Brock, Stroud & Co. Inc., Secretary; and C. Carroll Seward, Yarnall, Biddle & Co., Treasurer.

Names to serve as Governors were: James W. Heward, Butcher & Sherrerd; John L. Bradbury, Dolphin & Co.; and John P. Dempsey, Kidder, Peabody & Co.

The Nominating Committee was composed of William H. Hobson, Jr., DeHaven & Townsend, Crouter & Bodine; John H. Derickson, Jr., Blair & Co.; Walter D. Fixter, J. W. Sparks & Co.; Russell W. Schaffer, Schaffer, Necker & Co.; and Russell C. Schuler, The First Boston Corp.

Dean Witter Adds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—John R. Searcy has been added to the staff of Dean Witter & Co., 45 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges.

D. H. Blair to Admit

D. H. Blair & Company, 42 Broadway, New York City, members of the New York Stock Exchange, on Jan. 15th will admit David A. Dawn to limited partnership.

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approximately 13,600,000 more kilowatts of capability will be brought into service, of which 10,200,000 kilowatts will be added by electric power companies.

The 1959 estimate is merely the beginning of a rapidly-growing expansion program, and in 10 years the electric utility industry will be adding more than 20 million kilowatts per year to keep abreast of consumer demand in our expanding economy.

To serve the needs of its electric customers in 1958, including the requirements of defense establishments, the electric industry generated 641 billion kilowatt-hours of electricity, an increase of 10 billion kwh over the 1957 level.

Contributing to this demand was the addition of one million new customers, more than 85% of whom were new residential customers. Population growth is expected to continue at the rate of more than three million annually and, with new family dwelling starts in 1959 estimated at 1,200,000, the industry has a sound basis for optimism.

The constantly increasing residential use per customer is one of the industry's most significant built-in stabilizers. During 1958, average annual use of electricity per domestic customer totaled 3,385 kilowatt-hours, another new high and 211 kwh over 1957.

During the post-World War II period, use of electricity by industry has been increasing at the rate of about 10% per year. This long-range trend was interrupted in 1958 due to a decline in manufacturing activity but the industry looks forward to increased industrial loads during the coming year.

The coming year will bring problems for the industry as it continues to combat the trend toward government control and unfair competition from government and other tax-free agencies. During 1959, it will be more important than ever before to educate and inform the American people on the benefits they receive from free competitive enterprise and about the disadvantages of tax-free government encroachment. In this campaign to bring about better understanding on the part of the public in problems that are vital to them personally, the electric utility industry will not be alone because all business and industry face this problem.

JOHN J. COTT

President, Cott Beverage Corporation

Comments that I made last year regarding the carbonated beverage industry seem to be substantiated by the results for the fiscal year 1958.

John J. Cott

Although a recession caused reduction in sales and dividends for most manufacturing companies who published financial reports during 1958, the soft drink industry coincidentally suffered from reduction in earnings although the sales picture did not necessarily fall into line. This past Summer, the soft drink business suffered drastically from unseasonably cool weather, but despite this fact, domestic sales increased, substantiating my previous contentions that our business does not necessarily follow usual economic conditions but depends upon climate.

Soft drink consumption in foreign countries is continuing to grow rapidly. In our particular company, we have made new inroads in such countries as Newfoundland, West Germany, Spain, Malta, Kuwait, Lebanon, and British East Africa. The increase in foreign distribution and the interest in American soft drinks generally is further indicated by a Master Franchise recently executed with Adam Consolidated Industries, Inc. for the manufacture and distribution of Mission Products for our Mission Division throughout all countries in Free Europe. Within a short time at least four bottling plants will be operating in the West German area alone. These growing activities should be significant during future years in changing our sales and earnings figures.

General business adjustments presently under way as 1958 closes, should have little or no effect on the continued forward progress of the carbonated beverage industry. However, with business adustments under way in other industries, a further opportunity is presented to push sales forward, geared to the demand for food and other allied products. These facts, combined with warm weather during the Summer of 1959, are positive forces which should result in a banner year for 1959. I believe that other industries have passed through their periods of adjustments in the immediate past and although depressed conditions affected some consumer buying, such curtailment of buying power has not greatly affected soft drink purchases. If soft drink consumption is continued at its normal rate of expansion and as stated above, if we have a warm Summer in 1959, the earnings picture for the carbonated beverage business should be very interesting.

C. R. COX

President, Kennecott Copper Corporation

The year just closed was a difficult one for the copper industry. In the first six months the domestic demand for copper declined to a point where it was necessary for copper companies generally to reduce production. However, in the second half of the year improvement in general business brought an increase in the demand for copper and before the end of the year it was necessary for copper companies to increase their rates of production. Also in the second half, the extremely low world copper prices improved. By the end of the year producers' stocks amounted to less than one month's consumption, demand was in good balance with supply, and prices had recovered from the abnormally low point reached in the first quarter.

Charles R. Cox

The outlook for 1959 is for further improvement. We expect that the U. S. demand will increase as a result of rising industrial production, greater automobile sales and increased building construction. We anticipate that the foreign demand will continue to be good, although not as good as in the record year 1958. Figures on deliveries to fabricators for the last three years in thousands of net tons, and estimates for 1959, are as follows:

	U. S.	Foreign
1956	1,466	1,367
1957	1,278	1,575
1958	1,190	1,730
1959 (est)	1,350	1,560

On June 30, 1958 the legislation in effect since 1951 suspending the duty on copper imported into this country expired. This resulted in the automatic imposition of a duty of 1.7 cents a pound.

The world supply of copper in 1959, available from increased production of existing properties as well as production from new properties coming in during the year, will be adequate to take care of demand, and should permit needed rebuilding of stocks. It should be noted that labor negotiations in the U.S. copper and steel industries will be opened in mid-year.

RALPH W. CRUM

President, The First National Bank of Miami, Fla.

Commercial banks reflect economic conditions of the area which they serve. In times like these, banks should no longer play a passive role but must show aggressive leadershp in order to guide the progress of their community. In no other area of the country does this have more meaning or importance than in Florida and particularly in the fast growing Miami area.

Ralph W. Crum

Florida has one of the steadiest long-term population growth trends in the Nation. Together with this rapid influx of new residents calling for an attendant expansion in housing, public utilities, etc., we have also attracted an increasing number of new industries which provides needed employment. Industries moving into Florida include pulp, paper and chemical plants concentrated in the northern areas of the state to utilize water, timber and other natural resources. More recently, aircraft, electronics, engineering and similar industries are establishing plants in South Florida to take advantage of available skilled manpower and warmer climate. The same climate also permits a thriving citrus industry as well as vast cattle ranges and intensified areas producing various kinds of truck crops. Florida is a growing market within the Caribbean area and Latin American countries of which Miami is the focal point.

The decline in business occurring in late 1957 and early 1958 was not as severe in the Miami area as elsewhere. Bank debits for the first nine months of 1958 were 3% higher than for the same period a year ago. Bank deposits have also increased by 4%. The average rate of growth, however, since 1950 has been about 7% each year. Further study of the economy, as shown in such trends as employment, construction activity and of sales tax collections, indicates the expansion has slowed down to this lesser pace. The bright spot in these developments is the progress being made in establishment of new industries in Florida. A large share of the industrial growth is taking place in Dade County giving greater balance to a Miami economy which traditionally has been heavily dependent upon tourism. Today, there is hardly a noticeable difference in activity between the popular winter tourist season and other periods of the year.

With the business recovery apparently underway in our national economy, activity here should again be accelerated. For this reason, the outlook for commercial banking in South Florida presents a tremendous potential growth.

JOSEPH F. CULLMAN, 3rd

President, Philip Morris Inc.

In 1959 Philip Morris Inc. and the cigarette industry will move out into an era of further long-range growth based on a firm foundation built last year. In 1958 the industry, and Philip Morris as an individual company in the industry, developed the ability to cater successfully to continuing changes in consumer demand.

Jos. F. Cullman, 3rd

This, in turn, led to the industry's and the company's 1958 peak sales.

To set a new sales record in 1958, the cigarette industry conquered the challenge of a growing smoking population which has become increasingly selective. The fact that cigarette sales in 1958 topped the previous all-time record set in 1957 by about 4.5% dramatizes the extensive attention to product and market research by which the industry has been able to meet successfully the highly discriminating tastes of a continually increasing number of smokers.

The development of this ability to give the customers what they want is the most significant event of 1958 for the cigarette industry, for this is the basis on which estimates now being prepared on 1959 predict a further gain of 3% in the industry's sales this year.

For Philip Morris Inc., 1958 also was another year of encouraging progress and marks the fifth consecutive year in which both earnings and sales topped the previous year's totals. This reflects mainly the new and greater strength and popularity smokers have accorded the company's cigarettes in a highly competitive market.

Thus, the approach of 1959 finds our company in particular, and the industry in general, in positions of strength and high optimism.

The industry's capacity to cater to the rapidly changing tastes of a continually growing smoking market lifted cigarette sales in the United States to an all-time high record of about 428 billion in 1958. The previous peak, set in 1957, was 409.4 billion cigarettes. The increase is nearly 4.5%.

Sales of filter-tip cigarettes continue to set the pace and in 1958 accounted for about 47% of total volume. A year ago, they represented approximately 40% of total sales.

The success of our new high filtration Parliament cigarette first introduced in January, 1958, and the continuing sales gains recorded by the company's filter-tip Marlboro in the popular price range dramatize the fast growth of filter cigarette sales and at the same time demonstrate the company's ability to keep its product line in constant phase with consumer preferences and demand.

Philip Morris completely re-engineered and reblended Parliament as a high filtration brand and placed it on the market with an exclusive one-quarter inch recessed filter last January. In the first four months of 1958, this new high filtration Parliament offering the exclusive advantage of a recessed filter sold almost 2 billion cigarettes at popular retail prices. This was as many as had been sold during the entire previous year.

Harry Wootten, the industry's accepted independent analyst, recently reported that this new Parliament has made the greatest percentage gains of any cigarette in 1958, 235%.

Marlboro, which broadened its appeal to smokers last June when it also appeared in a soft package companion to its now famous flip-top box, demonstrates in another way the new and increasing attention which the company and the industry give to marketing. The step coincided with the introduction of a newly re-engineered and more effective Gold Crest Marlboro filter.

Introduced nationally in 1955 as a popular-priced filter cigarette concentrating on flavor, Marlboro, in 1958, continued its steady sales gains. In its first year, 1955, Marlboro became a national leader selling 6 billion cigarettes compared to the 283 million cigarettes sold the year before Marlboro changed its brand personality. During 1958 the brand enjoyed sales of approximately 21 billion cigarettes.

Philip Morris also recently added a new marketing dimension to its advertising for Benson & Hedges, its premium price quality cigarette. The advertising explains dramatically and simply that by paying more for Benson & Hedges a smoker gets more in the form of a custom quality cigarette. In today's improving national economy and with the increased number of smokers, there is a definite place for a premium priced, premium quality cigarette such as Benson & Hedges which combines a high quality product with a unique package and appeal. While early reaction to this new approach has been quite successful, it is too early to make definite predictions based on present sales increases.

Additionally, sales of the company's brand cigarettes continue to maintain their industry position among non-filter cigarettes which now share the total market almost equally with the filter brands.

In 1959, Philip Morris Inc. will broaden its scientific research horizons with the opening of the new McComas Research Center in Richmond, Va. This will give the company the most modern facilities in the industry and emphasizes anew the expanding role of research in product planning and sales.

The company's diversification program, launched in mid-1957, took a second step forward last April with the acquisition of Polymer Industries, Inc., a company well known in the industrial adhesives and textile chemical

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Our Changing Export Position And Untenable Trade Policy

from American-controlled factories. The increased imports of European-type automobiles are already causing some alarm.

Increased imports of products made with American capital and European labor could cause friction between the investing companies and American labor, as well as friction between small and big companies, since most of the foreign plants probably will be established by larger corporations.

The establishment of the European Common Market, therefore, underscores the need for a flexible foreign trade and tariff policy. The United States will need to negotiate realistically with the ECM and other countries for prompt tariff changes. There is considerable doubt whether the present Trade Agreements Act and Program is adequate for the purpose.

U. S. Foreign Trade Policy

From the close of World War I to 1930 the United States raised its tariffs until they reached the highest point in their history.

In 1934 there was an abrupt turn-about, with the passage of the Trade Agreements Act and the inauguration of the Cordell Hull Reciprocal Trade Agreements Program. Under this Act the President was authorized to make agreements with other countries for the reciprocal reduction of tariffs and for the amelioration of import quotas. Between 1934 and the close of World War II many such agreements were made. The avowed hope was that such reductions would lead to increased international trade and, ultimately, to the re-establishmment of a world-wide multilateral trading system, at least for the non-Communist countries.

In some cases tariffs were "slashed" from 200%, *ad valorem*, to 100%, or from 100% to 50%, since the law allowed the President to reduce them to 50% of their 1934 levels. In 1945 he was given additional power to reduce them to 50% of their 1945 levels.

In 1947 the United States accelerated the tempo of tariff reduction and embarked upon a program of multilateral, as opposed to bilateral, agreements. At a large international conference in Geneva it was party to the original General Agreement on Tariffs and Trade (the GATT) and in a series of conferences in the years following continued to reduce duties.

However, by the close of World War II most of the "water," or excess protection, had been squeezed out of the Tariff Act and it became increasingly difficult to reduce duties without threatening to injure domestic producers.

In 1947, the same year that the new multilateral approach was adopted, Congress insisted upon the inclusion of an "escape clause" in all trade agreements. Under this clause, which has been strengthened several times since 1947, the President is authorized to increase duties or to impose quotas, if necessary, whenever any import increases to a point that the Tariff Commission ascertains seriously injures, or threatens to injure, domestic producing interests. Congress has been increasingly fearful of tariff reductions as they have become more and more meaningful.

Ever since 1934 emphasis has been upon the reduction of tariffs rather than upon the increase of imports, so that, at the present time, we have the phenomenon of the United States (as well as other countries) trying to reduce tariffs without actually increasing competitive imports. Much of the effort of the inter-departmental committees that are charged with the responsibility of preparing trade agreements, has been devoted to ascertaining which tariffs can be reduced without injuring domestic producers.

All of this is an integral part of present trade policy, notwithstanding that the rationale of a multilateral trading system is that international trade should develop, as closely as possible, in accordance with what economists call the Principle of Comparative Advantage. Expressed simply, this principle means that countries will gain if they concentrate their production and exports on products in which they enjoy the greatest degree of comparative advantage, relative to other countries.

Yet, the philosophy of "avoidance of injury," to which we are committed, tends to block the imports which, by the nature of the case, are the most troublesome, competitively. They include such products as pottery and chinaware, certain kinds of textiles, hardwood plywood, bicycles and other products with a high percentage of labor cost and, therefore, most adaptable to countries having low wage standards.

Present policy is self-contradictory. On the one hand, we want to increase trade and re-establish a multilateral trading system. On the other, we want to avoid serious injury to any domestic producing interest. The easy way out has been to reduce tariffs wherever they can be reduced without encouraging competitive imports. We have now reached the point where this policy is no longer tenable.

Possible Lines of Action

Broadly speaking, the United States can follow one of three policy lines.

First, we can abandon altogether the idea of tariff-reduction and trade stimulation. We can openly revert to a policy of protectionism similar to that which prevailed between the close of World War I and the Smoot-Hawley Tariff Act of 1930. That this would be a dangerous policy, in view of the bipolar non-Communist — Communist world in which we live is fairly evident.

Second, we can continue our avowed policy of reducing tariffs to stimulate foreign trade and to reestablish a multilateral trading system. Were we to follow such a policy consistently and ruthlessly, however, a number of weaker industries and establishments would be displaced by imports. Although the number of workers displaced would be relatively small, it would be painful to them. Practically speaking, such a policy would be politically unthinkable at the present time.

We could, however, pursue such a policy but, while doing so, adopt some sort of "adjustment assistance" program for easing the adjustment of the capital and labor that would be displaced by imports to other lines of production. Such a program was proposed in a minority report of the Randall Commission and has been embodied in a number of Congressional bills. Such an arrangement is provided for in the treaties establishing the European Coal and Steel Community and the European Economic Community.

Third, we can abandon altogether the idea of stimulating international trade along the line of *comparative* advantage and emphasize, instead, trade along the line of *absolute* advantage. An industrialized country with a low-wage standard, such as Japan, can produce many lines of goods competitive with our own, even though they are not always the lines in which the country would specialize if trade were completely unrestricted.

Japan can produce many lines, other than textiles, pottery and other products that compete almost exclusively on a price basis. She can produce high-quality products, including many kinds of machinery. It would be possible for us to make agreements with such countries providing for the limited importation of certain kinds of goods with limited exemption from the escape clause.

Such a policy might be inconsistent, at least in a narrow sense, with the unconditional most-favored-nation policy and would involve bilateral, or polyangular, agreements with respect to specified products and specified countries. It would lead to an increased "channelization" of trade in contrast to the open, unregulated kind of trade that is envisioned by our present avowed policy of "equal-treatment." But, it would lead to increased trade.

Practically speaking, the United States can choose between the philosophies represented by the second and third alternatives. As it is, we fall short of having any clear, positive foreign trade policy.

Joins K. E. Kennedy

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Eldon E. Gill has joined the staff of Kenfield E. Kennedy, 6363 Wilshire Boulevard. He was formerly with McCormick & Co.

Good News, or — .

"Increases in wage rates were negotiated or put into effect this year for about 85% of employes covered by major collective bargaining contracts. These bargaining situations, each covering 1,000 or more employes, affected approximately 6,800,000 workers.

"Of these workers, 3,500,000 obtained increases as a result of settlements concluded during the year, preliminary estimates showed. Rate hikes were supplemented by cost-of-living adjustments in a number of cases.

"Some 3,300,000 workers received increases under deferred and/or cost-of-living adjustments negotiated in earlier years but effective in 1958.

"Raises most often averaged 12 cents an hour, with six out of 10 workers receiving at least this amount.

"A majority of the workers covered by 1958 negotiations also received increased supplementary benefits."—U. S. Department of Labor.

These facts are doubtless regarded in many quarters as indications of "social progress."

But are they? Does that not depend upon other facts not cited—whether, for example, these wage earners increased their contributions to production, at least proportionately, and whether they were or were not already receiving a larger share of current output than their part in production warrants?

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fields for its technical skills and achievements. In 1959 this company will double its present research, manufacturing and office facilities in Springdale, Conn. The expansion will add 12,000 square feet of manufacturing area and 8,500 square feet of laboratory and office space. The expansion is based on an encouraging future backed by a substantial increase in sales during the past year and a half.

The acquisition of Milprint, Inc., a leading company in the field of flexible packaging, in July, 1957 launched the diversification program of Philip Morris.

Philip Morris, with its strong capital structure, regards its diversification program as an important new source of added strength and capacity for future growth.

The cigarette industry and Philip Morris are highly optimistic about the outlook for 1959. The smoking population is increasing and cigarette sales are running at peak levels, with long-term forecasts predicting continued gains and a sales level of 500 billion cigarettes by 1965. The benefits of modern research, marketing and manufacturing technologies make it possible for the industry to cater to consumers' changing preferences.

HARLOW H. CURTICE

Former President, General Motors Corporation
Chairman, Genesee Merchants Bank & Trust Co., Flint, Michigan

All signs point to 1959 as a year of good business generally.

Since the low point of the recession last April, a substantial degree of recovery has taken place in most sectors of the economy. The annual rate of new housing starts has shown a sharp increase, while the total dollar value of construction contracts has been at a record seasonal level. The period of inventory adjustment is behind us, and the decline in expenditures for new plant and equipment appears to have been arrested. Spending by government and by consumers is increasing. Industrial production and employment have been moving up. Personal income is at a record level, and gross national product on a seasonally adjusted annual rate basis is almost certain by now to have reached a new peak.


Harlow H. Curtice

Most important for the future has been the substantial improvement in business and consumer confidence. This should in the months ahead have a further stimulating effect on the trend of various business factors.

Recovery of the automobile industry was hampered during the latter part of 1958 by labor uncertainties and strikes. Dealers were unable to build adequate inventories of 1959 model passenger cars until shortly before the year end. Despite this, deliveries to retail customers were running at an annual seasonally adjusted rate of approximately 5½ million units.

I anticipate that, with consumer confidence maintained and with a proper selling effort on the part of the industry itself, this rate of 5½ million units annually will be maintained throughout 1959. That is my estimate of the number of passenger cars the industry will produce and sell in the domestic market this year.

The key factor is confidence. It has been demonstrated time and again that the public can and does postpone the purchase of consumer durable goods like automobiles when confidence is shaken.

The principal threat to mounting confidence that would currently appear to exist is inflation, and particularly inflation caused by the pressure of wage costs on prices. A major responsibility of business and labor leaders during 1959 will be to see to it that wage increases are kept in line with the long-term rise in the nation's productivity.

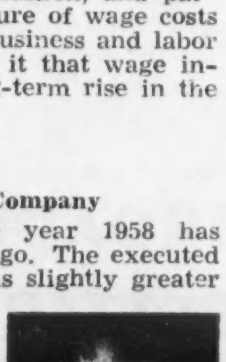
R. C. DALY

President, George A. Fuller Company

The construction volume for the year 1958 has been very much as predicted a year ago. The executed volume of work for the past year was slightly greater than that of 1957.

Predicting the volume of work to be executed for the year 1959 is easier in the construction field than any other. Construction volume for 1959 is fully dependent upon two things: contracts awarded during late 1958; projects now on the drafting boards.

Because of these two factors, it is reasonably certain that the total volume of construction to be executed for the year 1959 will be at least equal to that of 1958. There is a limit which must be placed on the overall construction volume. This limit is dependent upon the supply of skilled mechanics for the installation of work.


R. C. Daly

Construction trades are not sufficiently elastic to permit the wholesale increase or decrease in the number of qualified mechanics. It takes years of training in order to properly staff a construction job.

In certain sections of the country a slight recession in construction is now being felt. This is a reflection of the dip in the 1957-58 overall economy. This should not cause too much alarm. The volume for 1958 was fine and the volume already contracted in 1958 for execution in 1959 is fine. The amount of government work to be released for the coming year will insure a busy year for 1959.

LOUIS W. DAWSON

President, Mutual of New York

In 1959, we will see a continuance of the evolution and development which have characterized the American economic and social scenes in the past. Expanded economic activity, a growing population, and increasing numbers and sizes of family units, are some of the factors in our economy that change appreciably from year to year. This process of development and change in our economic and social picture means that the needs and desires of individuals and families are also constantly changing. The significance of this to us in the life insurance business is obvious; if we are to do our job properly, we will have to keep pace with these changes.


Louis W. Dawson

Speaking for my own company—Mutual of New York—and I am sure that this extends to the life insurance industry as a whole, I can say that we will be ready during the coming months with new products to meet people's changing needs and desires. We will offer new benefits, new types of policies, and expansion of coverages "tailor-made" to meet the individual's special needs, all designed to keep up with the changing economic picture and shifting social scene.

The year 1959 will see a determined move on the part of Americans for more security. The reason for this is the economic readjustment we experienced in 1958, recovery from which is not yet complete as 1959 begins. During a period of business readjustment, the economic uncertainty that is experienced causes most people to think more about security. This concern for the future will result in Americans turning to life insurance in record numbers during 1959 to provide themselves and their families with the stability and security they want.

People will avail themselves of the opportunity to obtain guaranteed security through the use of life insurance at an unprecedented level this year. The larger family is once more prominent on the American scene, and now represents an appreciably larger percentage of the nation's family structure than was the case a decade ago. High income taxes make it more difficult for family heads to accumulate an estate, or even protection for their own emergency needs without undertaking speculative risks. These trends, coupled with an observable move toward thrift in personal economic matters, will bring about still another record high in 1959 by raising the number of policies bought and the average coverage of the insured family to a new high level. Accident and sickness insurance will also keep pace with its recent spectacular advances in coverage.

The increase in insurance ownership which we can expect in 1959 will mean a record number of premium dollars available for investment by life companies. The investment activities of companies like MONY will thus assume added importance as we funnel these funds into the economy. We will be in a greater position than ever before to supply necessary capital and exert a beneficial influence on the country's expanding economy.

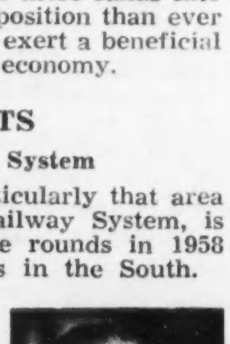
HARRY A. DEBUTTS

President, Southern Railway System

The outlook for the South, and particularly that area which is served by the Southern Railway System, is good. The "recession talk" going the rounds in 1958 apparently had few, if any, listeners in the South.

Along the lines of the Southern alone, more than 330 new industrial projects were undertaken or announced during the year, which represents an increase of more than 30% over the previous year. Based on the announcements of these projects, the total investment will exceed $340 million and over 14,000 new job opportunities will be provided.

Since World War II, the Southeast outpaced the national average by most of the accustomed measures of economic growth, according to a recent U. S. Department of Commerce report. Among other things, this report stated that the dollar value of construction contracts during the postwar period jumped 220% in the Southeast as compared with 61% for the nation as a whole. It is my belief that continued rapid industrial expansion is in store for the South in the years ahead.


Harry A. DeButts

As to the railroad industry, its outlook for the future was brightened considerably last year with passage of The Transportation Act of 1958. However, the industry's rate of return on net investment last year was only 2.7%. This is "peanuts," when compared with the returns of other industries, when related to the essential nature of railroad service in peace and war, and when weighted against the nation's need for modern, progressive railroad service.

The recession accounted only in part for the railroads' low rate of return last year. Increasing wage rates and other rising costs of doing business also are responsible. So are the continuing inequities in public policy with respect to transportation which continue to "hogtie" the railroads. Here, the bright hope for the future lies in Senate Resolution 303 adopted last summer. It cited the inequities and authorized a thorough study of major questions of transportation policy. Out of this study, it is to be hoped, will come the ground rules that will enable railroads to compete on equal terms with other modes of transportation.

Given the opportunity to earn a rate of return commensurate with their responsibilities to the nation, the railroads can make dramatic contributions to the nation's economy, to its transportation service, and to its defensive strength.

RUSSELL L. DEARMONT

President, Missouri Pacific Railroad

1959 may well be the year of decision by, and for, the railroad industry, and the success or failure of the nation's railroads in the year ahead will be determined by the carriers' own approach to their problems and the solutions they find therefor, as well as by the attitude of the new Congress of the United States.

Concurring in the thinking of the best financial minds of the country that the 1957-'58 depression period is over, we foresee improved rail earnings, but this will not solve all the industry's problems since they did not originally stem from economic conditions in the country. The reasons are more basic.

Long outmoded regulations, federal, state and local, keep railroads from fairly competing for the volume of business they must have to be successful. If they were only accorded the same rate making privileges that are given to their major competitors, the picture would be much brighter.


Russell L. Dearmont

Diversification of their operation so that a complete transport service may be supplied a shipper is another must. It would result in faster, cheaper, safer and more convenient movement of freight.

The equally outmoded labor setup on our railroads must be the subject of earnest consideration by the leaders of labor and management during the coming year. It is wholly unrealistic to deny the industry the tremendous potential benefits that may be derived from the advances of modern technology. Only a modern successful industry can offer the security to its employees that they want and are entitled to. The situation calls for a very high degree of statesmanship by their leaders as well as by those of management.

The important challenge, the most vital decision the industry must make, is whether it will be the great transportation agency of the country or a continually shrinking, less important factor in the transport field. If we meet our problems by retiring from every field where the going is rough, we will deserve the minor place that such an attitude will put us in. We will deserve the waning interest of the public and the Congress that will certainly follow such a course.

No major railroad can prosper, can long exist by itself. We are basically dependent one on the other. The fact that we can offer transportation for people and property to and from any important place in the country, is one of our greatest attractions. Recognizing our interdependence, we should be slow to take unilateral action in the matter of withdrawal of service, without weighing the effect on the industry. United we can build a greater transportation industry. Divided we will surely fail.

Review of 1958

Economic conditions have shown a decided improvement during the last quarter of 1958. Missouri Pacific carloadings earlier in the year were running as much as 13% behind 1957. With the upswing in business during the last few months the railroad expects to end the year with loadings down only 5½% compared with the year 1957.

Gross revenues for 1958 will total about $290 million, down 3% as compared with 1957. Wages continued their upward spiral, adding about $8.8 million to operating costs. The impact of this and other operating costs has been offset to a large extent by close control of expenses. Missouri Pacific expects to end the year with a balance, after mandatory appropriations for capital funds, of approximately $4.5 million.

After careful study by a special committee, the Board of Directors last August concurred in the committee's recommendation that merger of the Texas & Pacific Railway with Missouri Pacific should not be undertaken. The committee pointed out that such an end-to-end merger of two railroads, would not produce the economies which are often present in a merger of parallel lines.

However, through subsequent purchases Missouri Pacific now owns more than 80% of Texas & Pacific stock. This permits the filing of a consolidated Federal income tax return, thus relieving Missouri Pacific of paying taxes on dividends received from the Texas & Pacific.

During 1958 Missouri Pacific placed 1,615 new freight cars in service. Of this total, 815 box cars and 750 gondolas were built in the railroad's own shops at De Soto, Mo. Fifty Airslide hopper cars were purchased outside.

The growing usefulness of trailer-on-flat car shipments, with its modifications for specific shipper de-

mands, led to the purchase of 100 new mechanically refrigerated trailers and 50 tractor units to add to those already in service in Missouri Pacific piggy-back operations handling perishable commodities, principally from the Rio Grande Valley of Texas.

Its lines completely dieselized since 1955, Missouri Pacific had a total of 879 diesel units on its roster at year's end, with all the road locomotives and most yard switchers radio-equipped.

Construction was begun on the first 12-mile section of a new 23-mile branch line to run from Cadet, Mo., to Pea Ridge, the site of a new iron ore development in Washington County, Missouri.

Work is progressing on the new multi-million dollar "push-button" freight car classification yard at Kansas City. To be equipped with the latest electronic devices in hump yard operations, the huge new yard will be placed in partial service in February.

Realization of the vast industrial potential of the great Southwest and Gulf Coast territory served by Missouri Pacific continues. In the past ten years some 3,600 new industries, with an estimated capital investment of more than $1.5 billion have located there. New establishments and expansions of existing plants during eleven months of 1958 represented still more opportunities for Missouri Pacific. 178 new industries with estimated capital investment of more than $28.5 million were established, while 226 expansions, totalling more than $49.3 million, added to the freight traffic potential of the region.

The policy of seeking increased passenger traffic for Missouri Pacific trains will continue. We will be on the alert for improved service and will be looking for added innovations to popularize our passenger trains.

Among the various plans instituted to induce passengers to ride Missouri Pacific trains was the idea of special trains to special events for group movements of people. These invariably were well-patronized and paid off in revenue as well as good-will. The use of low-cost tray meals for coach passengers in the Eagle trains met with astonishing success. Started in December 1957, 70,000 such meals have been served through October 1958.

Honoring coach tickets in sleepers and substantially reducing Pullman charges on some runs were probably the most successful of Missouri Pacific's many experiments to increase its passenger business. First instituted on the Houston to Brownsville, Texas trains, the Pullman revenue from May through October increased 24% in 1958 over 1957's revenue from the original higher fares, while the local rail revenues on those trains increased 68% in the same period.

The Thrift-T-Sleepers on the Colorado Eagles (St. Louis to Denver) likewise showed an awakened traveler interest when lower-cost train travel was made available. Surveys among passengers in these coach-fare sleepers indicated that 37% would have used just the coach seat had not reduced Pullman fares also been in effect; 23% would have traveled by air, 14% by private automobile and 3% by bus. Only 10% were former standard Pullman car patrons who took advantage of the saving offered.

In December, Missouri Pacific introduced that popular American custom, the "coffee break", to all its passengers. Free coffee is now served mornings and afternoons aboard all trains carrying dining cars. These innovations may be supplemented with others in the year ahead.

Outlook for 1959

On the whole, the prospects for 1959 appear to be favorable for the Missouri Pacific. The West-Southwest territory served by this carrier seems to be accelerating its recovery from the effects of the depression more swiftly and surely than many other regions. Its diversified economy is perhaps responsible for most of this healthy condition, for the raw products of agriculture, mines and forests are in nearly equal balance with manufacturing and industrial output.

MANUEL A. DEL VALLE

Chairman, Fajardo Eastern Sugar Associates

For both the immediate and the long-term future, sugar production prospects look bright for Puerto Rico. With both expanded volume and improved production facilities, earning outlooks also are favorable, particularly for the long pull. The recovery in production will result largely from more normal weather and operating conditions, but in some part from improved techniques and practices which have been adopted by the industry.

In the early 1950s, Puerto Rico served as a reservoir of excess sugar to protect against a shortage of sugar in the mainland U. S. market. In fact, during the period from 1949 to 1956, nearly a million tons more sugar was produced than the industry was able to harvest and sell under the U. S. Sugar Act.

The carrying of excess sugar was a costly practice for growers and processors, so that in the period from 1953 to 1957, the industry intentionally reduced its production.

In August 1956 the industry suffered from hurricane damage. With around a million tons of carryover cane in the fields, the effect of the hurricane winds proved to be serious. What was more serious, however, was that this hurricane was largely devoid of rain and was followed by a long period of drought, which affected the cane very adversely.

The dry weather continued through the growing season for the 1958 crop. Then, in the middle of the 1958 harvest, heavy rains set in and caused one of the lowest rates of recovery of sugar from the cane ever experienced in the industry.

Production of sugar, which had already been cut from 1,360,000 tons in 1952 to 1,138,000 tons in 1956 to bring output in line with U. S. Sugar Act quotas, fell further to 979,000 tons in 1957 and 923,000 tons in 1958.

In 1959, however, the sugar output of Puerto Rico is heading sharply upward from the 1957 level, due to a variety of causes.

The first stimulus to higher sugar production is normal weather. As compared to the deficient rainfall levels from July, 1956, through April, 1958, the rainfall level for the growing period of the 1959 sugarcane crop has been slightly above normal.

In addition, during the fall of 1957 and the spring of 1958, substantial new plantings of cane were made. This means that the old, low-yielding cane stools were plowed up and newer, higher-yielding plantings were made.

Another trend in the industry which indicates higher output is the development of new, improved cane varieties. Since it requires a number of years to develop and test a new cane variety, only preliminary results are coming from this program. Excellent results are indicated by some of the new canes now in the preliminary testing stages, however.

Another step toward higher sugar production is the advance that is now being made toward mechanical equipment for harvesting cane. In the years since 1952, tremendous progress has been made. The cane is still cut by hand, but most of it is loaded mechanically. Hauling is done under conditions which greatly increase productivity. What is more, the industry is now starting research on a cane harvester which can both cut and load the cane.

There is no denying that during the past six to eight years the industry has suffered seriously in the matter of earnings. This has been due in large part to two important factors. The first has been the continued mounting of all elements of production costs—wage rates, taxes, materials, and the like—while the price of sugar has not gone up.

The second factor depressing industry earnings has been the reduced volume of production. By present indications, however, the 1959 production is indicated at near the quota level. In addition, the island has the opportunity of rebuilding a normal carryover inventory to replace that which was wiped out by the disastrous crops of 1957 and 1958. Over and above this, sugar consumption is constantly increasing.

On the basis of population projections, U. S. sugar consumption is indicated at about 10 million tons in 1965. This indicates the opportunity the sugar industry of Puerto Rico has to restore its production to and above the 1952 level of about 1,360,000 tons.

THOMAS W. DELZELL

Chairman of the Board and Chief Executive Officer, Portland General Electric Company

The year closing has been one of progress for Portland General Electric Company—two dams were completed and another big one planned.

The utility in the past year placed 198,000 kilowatts of new electricity "on line"—marking a construction investment of some $49,000,000—and for the future announced its intentions to build the largest dam ever constructed within the confines of Oregon. The proposed $71,000,000 Round Butte project on the Deschutes River in central Oregon is a symbol of our company's faith in Oregon's future. And the Pelton and North Fork hydro-electric projects, completed in 1958, are standards of PGE's recent construction progress.

Thomas W. Delzell

We share the faith which all Oregon electric utilities have in the future growth and development of our state. This confidence is exemplified by the tremendous construction program which these utilities have undertaken.

In addition to hydro projects already completed or underway, PGE and other Oregon utility companies have contracted for large blocks of power from projects such as Priest Rapids dam and Rocky Reach dam, being built in Washington by local public agencies. These contractual commitments are added proof that Oregon utilities believe the state's economy will continue its forward progress.

The so-called "recession" in Oregon did not have a noticeably serious effect on the utility business. Power use remained high and was 4% to 5% greater than in 1957. We believe it is sound to predict continued increases in electric energy consumption by all customers in 1959. With that in mind, we will spend some $13,000,000 on expansion and addition to our transmission and distribution system during the year.

Line construction planned by PGE includes 48 miles of transmission conductors and 510 miles of distribution lines. During 1958, the utility constructed 111 miles of transmission cables and 415 miles of distribution lines.

At the year's end, PGE registered 245,000 customers who used 3.6 billion kilowatt-hours of electricity.

Construction expenditures for 1958 totaled $21,900,000. Completion of North Fork and Pelton hydro projects took $10,700,000 of the total, with the rest going for transmission and distribution construction.

Continued on page 46

With P. W. Brooks

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Bruce S. Whitston is now affiliated with P. W. Brooks & Co., Incorporated, 31 Milk Street.

Joins Keizer Staff

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — David P. Mittell has joined the staff of Keizer & Co., Inc., 19 Congress Street.

With Keller Co.

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Sheldon A. Freeman is now connected with Keller & Co., 31 State Street.

Lee Higginson Adds

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Richard L. Dowling has been added to the staff of Lee Higginson Corporation, 50 Federal Street.

Continued from page 45

ARTHUR O. DIETZ

President, C. I. T. Financial Corporation

U.S. consumers will use a record $42.5 billion of instalment credit in 1959, including some $16.2 billion for automobile purchases. This amount will top 1957's record extensions of credit by a small margin.

Rapid recovery from the recession and the surge of the economy toward the peaks of the 1960's will make 1959 a very good year for consumers and business.

Arthur O. Dietz

Although many persons deferred purchases during the 1957-58 slump and there was some job dislocation, there was never any doubt as to the judgment and integrity of the average time buyer and repayment for earlier purchases continued, as always, on a sound basis. Now some of the "backlog demand" from the slump will be added to other purchases to swell total credit extensions for the coming year.

Our auto-financing subsidiary—Universal C.I.T. Credit Corporation—is the nation's largest independent auto finance company, and we look for at least 5.5 million new car sales, with the probability that the final figure will be considerably higher.

Studies conducted by the C.I.T. department of economics indicate that consumers will use $16.2 billion of instalment credit for automobile purchases in 1959, up $2 billion over 1958. Total instalment credit, at $42.5 billion, will be some $3.1 billion higher than the 1958 total.

Other durable goods—major appliances and the like—will account for some $11.7 billion of credit extensions and repair and modernization loans probably will total about $1.6 billion. Personal loans probably will total some $13 billion.

Repayments of instalment debt during 1959 for earlier purchases will amount to about $40 billion. Total instalment credit outstanding at the end of 1959 will amount to some $36 billion, compared with an estimated $33.4 billion at the end of 1958.

Consumer instalment credit volume will continue to increase because most families now use it as the "normal" way to buy automobiles and other valuable durables and also its use is extending into many new fields.

The highest annual total of instalment credit extensions up to this time was $42.4 billion in 1957. The total was $40.1 billion in 1956 and $39 billion in 1955.

Rising dollar amounts of consumer instalment credit are to be expected as increasing numbers of persons turn to time buying as a sound means of acquiring assets and services. Large amounts of credit outstandings are no cause for concern as long as credit is soundly extended and wisely used.

Fifty years of experience in sales financing has proved at C.I.T. that the U.S. consumer is an excellent credit manager and will continue to discharge his responsibilities promptly, as he has in the past.

P. M. DINKINS

President, General Aniline & Film Corporation

Nineteen-fifty-eight sales of General Aniline will surpass the all-time high sales record established in 1957. Earnings were somewhat restricted in 1958 because of increased operating and non-recurring costs. We are looking forward to 1959 with a great deal of optimism. This is based on our own estimates as well as the general consensus of the economists and business forecasters who agree that the business outlook for 1959 is good. While it is not expected that the country will experience an upward surge as dramatic as in 1955-1956; nevertheless, it appears that 1959 will be an economically solid year. Forecasters predict that in 1959 we will see increases in three major segments of the economy of the country, i.e., government spending, consumer spending and business spending. The anticipated increase in business spending is attributed to the replenishing of liquidated inventories as well as construction of new plants and equipment. Although we are optimistic about 1959, we recognize that the coming year will be one which will test our organization, but the same will be true of our competitors. The present buyer's market is expected to become more competitive because of the increased production capacity which resulted from heavy investment in new plants and equipment in the past few years. We plan to meet the competitive challenge, however, with new and better products and by greater efficiency in operations.

Philip M. Dinkins

While our Dyestuff and Chemical Division should benefit because of improved economic conditions of the country, it is aware that competition will be keener in 1959. In anticipation of this the Division has reorganized its marketing and sales departments and its technical service organization. The Division will have in operation for the entire year new manufacturing facilities including an ethylene oxide plant, which are expected to result in improved costs.

The photographic industry should benefit by the expected improvement in all three major segments of the economy of the country. Our Ansco Division plans to capture a share of this increased spending power by instituting more intensive selling efforts coupled with the marketing of new photographic products, and improving its present product line.

Our Ozalid Division, which is a leader in the field of reproduction machines and sensitized papers, will be better equipped in 1959 to handle the expected increase in government and business spending. With new plants to manufacture reproduction machines, sensitized papers and new and improved products, Ozalid expects not only to maintain its position in the field but also improve its operating costs.

On the whole, 1959 for General Aniline should be a substantially better year than 1958.

GEORGE S. DIVELY

Chairman and President, Harris-Intertype Corporation

During 1958 the economy experienced the deepest, but possibly the shortest, recession of the postwar period. Continued improvement is expected throughout 1959, with the stimulus during the first half of the year coming largely from the consumer. During the latter part of the year, the capital equipment recovery should provide additional impetus.

G. S. Dively

The 1958 recession, however, takes on somewhat broader significance, in my opinion, than its two postwar predecessors. In general, it marked the end of the period of war-induced shortages and the beginning of a more highly competitive economy. In the period ahead it will probably be harder to make profits and easier to make costly mistakes. The companies that will move forward will be primarily those that have geared their products and organization for a "hard-sell" future.

Printing, Publishing and Broadcasting

Looking at printing, publishing and broadcasting—the industries served by Harris-Intertype—the 1959 picture is promising. Advertising is the main source of revenue for these industries, and during 1958 total advertising outlays dipped only about 2%, compared to a drop of around 10% for the over-all economy. Advertising should more than gain this back as general business bolsters its advertising and sales promotion expenditures to meet increasing competitiveness. There should be a corresponding pick-up in volume and profits for well-prepared printers, publishers and broadcasters.

Harris-Intertype

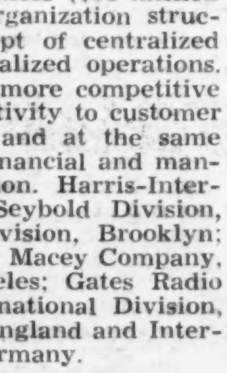
As for Harris-Intertype, the outlook appears good. New and improved products recently introduced have been well received by customers. Increased interest is being shown in high-speed magazine presses, in four, five and six-color sheet-fed offset presses, in automated bindery equipment, in improved presensitized photo-offset plates and in advanced designs of commercial broadcasting equipment. The company's enlarged research and development program should provide further advances in 1959.

To handle a growing volume of business ($58 million last fiscal year), Harris-Intertype's organization structure is being built around the concept of centralized policy and staff services, and decentralized operations. This structure appears well suited to more competitive times. It retains a closeness and sensitivity to customer requirements at the operating level, and at the same time provides the over-all research, financial and management strengths of a large corporation. Harris-Intertype's operating units are: Harris-Seybold Division, Cleveland and Dayton; Intertype Division, Brooklyn; The Cottrell Company, Westerly, R. I.; Macey Company, Cleveland; Lithoplate, Inc., Los Angeles; Gates Radio Company, Quincy, Ill.; and the International Division, including Intertype Limited, Slough, England and Intertype Setzmaschinen, West Berlin, Germany.

CRIS DOBBINS

President, Ideal Cement Company

Early in 1958 the nation seemed to be undergoing a minor recession which coupled with unfavorable weather over practically the entire nation gave the cement industry a slow start during the first three months. The second quarter showed little improvement, but in early summer shipments began to improve and continued at a good level through the fall and early winter.



Cris Dobbins

We feel when all of the statistics are in and compiled, total shipments for 1958 will equal or exceed the total of 1956, the industry's best year.

Some of the significant developments during 1958 were: the gradual improvement of housing starts; the increased rate of construction on the Interstate Highway System; and the continuing trend towards more extensive use of prestressed precast concrete.

In the industry, continued construction of new cement plants may accentuate oversupply in certain areas. Much of this new construction has been promoted by interests outside of the U. S. or by persons not now in the cement industry.

The importation of foreign cement appears to be a minor but disturbing factor in some areas. It is unlikely that shipments of cement into the United States can be profitable to foreign producers except as the producers and their governments may be willing to ignore costs in order to secure dollar exchange.

There have been no reductions in labor rates and none are in sight. Costs of other items used by the industry are likewise generally on a gradually increasing plane and this pattern of inflation can only be offset either by higher prices or by further mechanization which, of course, requires large capital outlay.

The prospects for 1959 are that cement use may be greater than for the current year. The Interstate Highway Program should reach a level of construction toward which it has been moving since it was inaugurated in 1956 and this level should continue for several years. In addition to the highway program, the general upturn in the construction industry could result in the use of 5% to 10% more cement in continental United States than in 1958.

R. P. DOHERTY

Chairman of the Board,
The National Bank of Commerce, Houston, Texas

Continuance of moderate economic expansion for the nation this year should result in one of the most favorable earnings performances for the banking system as a whole in over a decade. On the other hand, because a general business recovery does not progress uniformly in all industries and in all geographic regions, earnings performances of individual banks will continue to vary widely.

R. P. Doherty

There are at least two fundamental reasons for expecting bank financial statements on the whole to reflect improvement in 1959 over 1958.

First, Federal Reserve anti-recession monetary actions promoted further expansion of the earning-asset base of the banking system last year. This asset expansion enabled many banks to maintain 1958 earnings at or near 1957 levels, despite precipitous declines in money market rates during the first half of the year and in the face of further increases in operating expenses.

Second, if the general economic recovery continues to progress as anticipated, money rates can be expected to increase gradually through the year after allowances for seasonal variations. Although recent evidence suggests that the momentum of the recovery may be slowing, no serious faltering or prolonged levelling seems to be in store this year.

Money rates responded upward rather promptly to Federal Reserve actions at mid-year in 1958. If recovery moves faster than is now expected, additional Federal Reserve pressures on member bank reserves can be expected to emerge. Thus, money rates are likely to increase moderately in 1959.

Bank stock analysts have already begun to cite possibilities of increases in cash dividends on bank stocks this year. Although some increases can be expected by individual banks, it is probable that a significant part of increased earnings will be utilized in the form of permanent additions to capital funds. In any event, investors in bank stocks can continue to view their holdings as "growth" type investments.

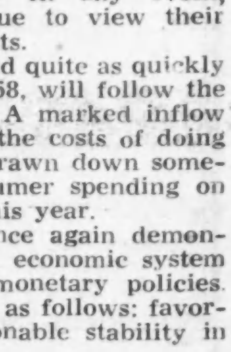
Loan demands, which did not rebound quite as quickly as some experts anticipated late in 1958, will follow the economic recovery upward this year. A marked inflow of savings to banks, which increased the costs of doing business last year, will probably be drawn down somewhat by "temporary" savers as consumer spending on durable goods increases moderately this year.

Bank earnings performances are once again demonstrating a unique characteristic in an economic system placing heavy reliance on flexible monetary policies. This characteristic can be summarized as follows: favorable growth in good times and reasonable stability in recessionary periods.

FREDERIC G. DONNER

Chairman, General Motors Corp.

The economic horizon is considerably brighter now than it was at this time a year ago or at any time within the past year. The recovery from the low point of the recession last April has now reached the point where we can be confident that the economic charts are showing, not a wiggle, but a definite and healthy upward trend.



Frederic G. Donner

The automobile industry has been experiencing the effects of labor difficulties incident to the negotiation of new agreements with the unions representing our employes. During most of the fourth quarter of 1958 dealer stocks of new cars were inadequate in the light of the enthusiastic customer response to our 1959 models. This, however, is a small price to pay for arriving at agreements that are reasonable and fair and that should represent a constructive contribution to economic stability during 1959 and the succeeding two years they will remain in effect.

The remarkably rapid recovery from the 1957-58 re-

Continued on page 48

LETTER TO THE EDITOR:

Mr. Johannsen's Letter on Gold Hits Higher Price Contradictions

Mr. Johannsen maintains advocates of dollar devaluation place themselves in a contradictory position. He writes there is no more sense in redefining the dollar to take into account money-credit dilution than there would be in redefining milk to take into account watered milk supply. He asks when would they cease redefining milk—when it contains 99.9% water. Recommends ceasing the issuance of and retiring Federal Reserve Notes and/or loan-created deposits that impair the financial quality of dollar rather than the opposite method of devaluation.

Editor, Commercial and Financial Chronicle:

Recent discussions on the "price" of gold, both in the *Commercial and Financial Chronicle*, as well as other media, are indicative of the semantic confusion surrounding monetary problems.

O. B. Johannsen

Part of the confusion is probably due to the fact that the government has defined the word "dollar" in terms of silver as well as gold. But in an economy as ours, which makes pretensions to being allied to a restricted form of an international gold bullion standard, the only acceptable definition is that of the so-called "gold-dollar" established as the result of the Gold Reserve Act of Jan. 30, 1934. By a proclamation of the President (48 Stat. 1730) on Jan. 31, 1934, a "dollar" was defined as 13.714 grains of pure gold.

To most people the word "dollar" probably conjures up some nebulous concept of value, but actually under the gold standard a dollar is just a certain weight of gold.

As there are 480 grains in a Troy ounce, if you divide 480 grains by 13.714 grains per dollar, you arrive at 35 dollars. One might quite logically say, therefore, that $35 is a synonym for an ounce of gold. If the price of a pair of shoes is $35, that is equivalent to saying that the price of a pair of shoes is an ounce of gold. That being the case, when you say the "price" of an ounce of gold is $35, you are saying the price of an ounce of gold is an ounce of gold. This is mere tautology.

The simple fact is that if gold is money it has no price, for in a money economy, the definition of "price" is the ratio at which goods and services are exchanged for money. Of course, if gold is not money, then it has a price in terms of whatever is money.

If gold is money, then the so-called "price" of gold occurs as the result of the definition of the word "dollar." Any change in the "price" of gold actually means a re-definition of the word "dollar."

But the dollar was re-defined in 1934. Prior to that time the dollar was 23.22 grains of pure gold. This re-definition served no useful purpose, though it meant that government and gold producers had a large inventory "profit" on their gold holdings.

Many of those who urge a higher "price" for gold find themselves in a contradictory position. On the one hand, they come into the field of monetary disputation and claim gold is the only sound money. On the other hand, they claim the "price" of gold is too low. Well, if gold has a price, it is not money, and if it's not money, it's just another commodity. And it certainly is no function of the government to fix the prices of commodities.

If they recognize that by urging a higher "price," they are actually advocating the reduction in the weight of gold in a dollar, they must support such advocacy with cogent reasons why the monetary unit's weight should be reduced.

If the weight in a dollar should be reduced, why not reduce the weight in an avoirdupois pound from 16 ounces to 10 ounces? Some tenable arguments might be adduced for ten ounces, particularly from the viewpoint of ease of calculation, but the 16-ounce pound has been with us for many, many years. And yet, although the weight of gold in the dollar was changed only 25 years ago, pleas are now being heard for changing it again. And why have they waited for 25 years? Why not every ten years, five years, or every hour on the hour? One is just as absurd as the other.

If their argument is that the realities of the situation must be faced and that as our monetary structure has been diluted through the issuance of i. o. u.'s, in the form of Federal Reserve notes and loan-created demand deposits, and that it therefore becomes necessary to define the dollar to take this dilution into account, may one ask them a question? What would their suggestion be in the case of the dilution of the milk supply of the nation through the addition of water by some governmental agency? Would they recommend that "milk" be re-defined to take this dilution into account? And should it be continually re-defined even if a quart of milk eventually contains 99.9% water? When do they advocate stopping the re-definition of "milk"—when do they advocate stopping the re-definition of "dollar?"

Would it not be wiser instead of re-defining "milk" to stop its dilution and remove as much water as possible? If that is so, would it not also be wiser instead of re-defining dollar to stop the dilution by ceasing the issuance of Federal Reserve notes and/or loan-created demand deposits, and retiring as many of them as possible?

If you cannot improve the nutritive quality of milk by re-defining it, how can you improve the financial quality of the dollar by re-defining it?

O. B. JOHANNSEN

Roselle Park, N. J.
Dec. 26, 1958.

With Sterling Assoc.

(Special to THE FINANCIAL CHRONICLE)

CHARLOTTE, N. C.—James A. Goforth has joined the staff of Sterling Associates, Inc., Johnston Building.

E. F. Hinkle Adds

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Ore.—Laurence H. Lau has been added to the staff of E. F. Hinkle & Co., Inc., Equitable Building.

Joins May & Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Ore. — George E. Barkdoll has joined the staff of May & Co., 618 Southwest Yamhill Street.

A. C. Etheridge Opens

SHREVEPORT, La. — Arthur C. Etheridge is engaging in a securities business from offices at 3109 Alexander.

There Must Be a Limit!

"It is only natural that most of the dollar credits which have been made available in Latin America have been loans repayable either from tax revenues or from the earnings of the enterprises meriting the loans. Beyond this, however, many leaders in Latin America point out the need for 'social development': they contend that the lack of housing constitutes their most serious single social problem. They hope a method can be found to make credit available for home, hospital, and related construction.

* * *

"I feel that we should be prepared to assist other countries in improving their health and sanitation facilities. Loans for these purposes have been available in the past and should continue to be. The problem of housing finance is, however, much more difficult.

"I suggest, therefore, that the nations of Latin America should not look to the United States or to international agencies for significant financial assistance in housing but should pursue vigorously the path of economic development and inflation control in order to enlarge the national product and available savings, and thus widen the margin that can be devoted to improvement of housing."—Milton S. Eisenhower.

This seems to us to be at least the beginning of wisdom. After all, a loan is a loan and repayment is naturally expected, all too many gifts (or should we say bribes?) in recent years have been labeled loans.

Continued from page 46

cession should be a source of great satisfaction to all Americans. It is indicative of the fundamental strength of our economy. It should inspire confidence in the future.

Confidence is a most important ingredient in an economy geared as is ours for volume production to meet the needs of a mass market. When consumers have confidence, they buy. When their confidence falters, they curtail buying. The automobile industry is always severely affected by recession because people can postpone new car purchases without seriously impairing their ability to have, for a time at least, reasonably usable transportation.

On the other hand, when the trend is up and the outlook is bright, confidence revives and sales of automobiles, as well as of other durable goods, rise rapidly. This would seem to be the situation that exists today. Confidence is reviving and consumers are spending. With a proper selling effort 1959 should be a year of substantially increased volume in our industry. And as reviving confidence produces similar effects in other durable goods industries, we can anticipate further improvement in the level of employment and industrial activity generally.

DONALD W. DOUGLAS, JR.

President, Douglas Aircraft Company, Inc.

The outlook for 1959 in the aircraft and missile industry must be qualified in view of certain uncontrollable factors inherent in the manufacture of the vehicles which we produce. Existing firm orders for the coming year are known and our delivery schedules are laid down far in advance.

D. W. Douglas, Jr.

But the increasing emphasis on missiles, with a relatively short production flow time offers the possibility of new orders which could have a direct effect on industry income during the year.

Because the industry produces primarily military vehicles, any prediction made today assumes no radical change in the international situation.

During the year, there will certainly be a gradual acceleration in the delivery rate of commercial transports which will be almost entirely turbine powered. The last half of the year will see a vastly increased rate of output. There are now on order about 900 commercial turbine-powered transports.

The new transports will be considerably more costly than were their predecessors but their income potential makes them a desirable purchase. Fewer of the big and faster units will be required to generate the seat-miles which we feel traffic expectations will require. In addition, fast turn-arounds and increased utilization will contribute to greater over-all efficiency.

It is our expectation that transports produced this year and next will have a service life of more than ten years. We do not forsee any marked increase in the 600 mile-per-hour performances now programmed within the next ten years. It would appear that government expenditures for missiles, space vehicles, and supporting components will increase during the year. Known Department of Defense estimates support this prediction. We do not believe that there will be any marked increase in defense purchases other than those already laid down, always barring a disruption of the international political climate.

There will be strict fiscal control of not only total military expenditures but the rate of expenditure. We recognize that any threat of excess spending may necessitate cutbacks or stretch-outs.

In summary, we feel that employment will be steady at about 750,000, with a slight upturn anticipated in the last half of the year. After June 30 there will probably be an appreciable acceleration in the nation's missiles and space age production.

ROGER DRACKETT

President, The Drackett Company

Sales of our company in the current fiscal year ended September 30, 1959, are expected to be above those of the preceding fiscal year. Dollar volume in the first quarter ended December 31, 1958, will be about three per cent above the unusual first 1958 fiscal quarter when sales were contra-seasonal as a result of the introduction of Blue Mist, a new product. Both comparative periods will reflect sales of Judson-Dunway Corporation, acquired October 31, 1958.

Roger Drackett

Improvement in the over-all American economy will be reflected in our rising sales. Especially will this be true of our plastics division, Calmar and the Maclin Company, which, like all chemical and allied industries, will benefit directly from expanded sales of the many industries that buy their products. Our drain cleaning and window cleaning products are more directly responsive to consumer influences, like increased consumer spending, the rise in the new home building—consequent to larger new family formations—and the ever accelerating public desire for greater cleanliness and health.

Although it is too early to estimate 1959 fiscal year net profits, we expect them to be a little higher than a year ago . . . again including the Judson-Dunway figures for both periods. Net earnings for the first 1959 fiscal quarter may be under those of a year ago, because of non-recurring items, as for example the almost entire absorption of the Judson-Dunway acquisition costs. For all of 1959 the earnings per share should not be lower than a year ago, even though more shares are outstanding.

Like some others we do not look for a boom year in 1959, rather we expect one of continued general recovery. Our confidence perhaps stems from our 1958 performance when we had the largest sales and net profits in our 43 year history. Excluding the effects of our soy bean operations, which were sold July 1, 1957, Drackett for 23 successive years has had year to year gains in sales and profits on all its operations. From calendar 1935 through fiscal 1958 our sales and profits show gains of 16 times. Net sales in 1935 were $1,432,400 against fiscal 1958 sales of $19,498,127. Net profit was $105,171 and $1,534,375 respectively for the two periods.

We shall be able to handle increased production, consequent to larger sales, readily because like the chemical industry generally—47% of its plants are less than eight years old—our plants, equipment, and machinery are new, efficient, and relatively low-cost in operation. Our plants are almost completely newly equipped in the last five years.

Continued expenditures for the latest equipment and machinery will be made in 1959 as we plan further plant decentralization to reduce our transportation costs, and thereby hold down our prices. We initiated our decentralization policy in 1953 with the opening of the San Leandro, California plant. Last November we began operating our newly constructed plant at East Stroudsburg, Pennsylvania. Shortly we will open a new manufacturing plant in Canada. Other plants at new locations may be announced in the coming months. These will be additional to such plants as we may acquire through purchases of other firms. We are negotiating and considering acquisitions of companies whose products will fit into our manufacturing and selling patterns.

Within the last year our sales force has been doubled. Our advertising expenditures meanwhile have increased by 20%. In the meantime, we have market tested a new economy package and introduced a pour-spout package of (Drano) our drain cleaner. We have introduced a new and improved formula for (Windex) our window cleaner. Our copper cleanser (Twinkle) has progressed vigorously. All of these products rank either first or second in their respective field, and we plan to use every available means of advertising, merchandising and promotion to maintain and improve their industry positions. As a result of the Judson-Dunway acquisition we added several product lines, most important of which are (Vanish) a bowl cleaner, (Delete) a stain remover for sinks and bathtubs, and (Expello) a moth repellant.

Although Maclin Company, maker of thermoplastic molding compounds, and the Calmar division, producer of plastic sprayers and dispensers, operated at record high levels in fiscal 1958 we expect their sales this year will push them to new production peaks, therefore we plan to add to their facilities and to install more new high-speed equipment and machinery. We are not basic producers of resins. We use less than ten per cent of the plastic specialties produced by the Calmar division, which is beneftting from the growing use of plastic dispensers for a wide variety of liquid and semi-liquid products. Our position in this highly competitive business will be helped by the introduction of new basic patentable features in some Calmar products.

Inventories, unlike many chemical companies, have not been a problem to Drackett, because we gear our production to immediate sales, a practice that will be furthered by additional decentralization in 1959.

Research and development are being stepped up this year. We are readying for market testing several new products with promising potentials. Present plans call for concentrating research on household products in Cincinnati and on plastic specialties in Los Angeles.

SHERMAN DRAWDY

President, Georgia Railroad Bank & Trust Company, Augusta, Georgia

Banking, like any other basic business activity of the American economy, views the future from two perspectives. First, there is the immediate future, the financial prospects for the year ahead. Second, there is the long look ahead, the analysis of trends that will crystallize in the next decade or two.

Sherman Drawdy

From the second perspective, it appears to the writer that two outstanding characteristics of the next two decades are already well under development. These are population and automation. These two developments are interrelated, especially from the banker's viewpoint. More population, means more loan activity, more accounts, and more clearings. It means that banks must be prepared at some point in the not-too-distant future to either add drastically to their labor force and living quarters or to employ technical improvements to speed up and simplify paper processing. This latter alternative, under the general heading of automation, appears to be the most logical solution. Through it banking can achieve what other industries are also planning to achieve; a higher standard of production and service through greater output per employee-hour.

This is not to say that banks must be prepared to sacrifice personal contact for an impersonal machine operation. Automation is not an end in itself but a means to free more of the staff for public contact. The prime commodity offered by banks will always be service, and the expanding future, with its increase in population and industrial and business activity, will continually require more and better financial service.

Our own organization, the Georgia Railroad Bank & Trust Company, observed in 1958 its 125th Anniversary. These years were spent for the most part in service to a section of the Southeast which was primarily agricultural. However, during the past few years the dawn of an industrial era has become apparent, and now events are occurring almost daily which point to a high degree of industrialization in the section. By the time our 150th Anniversary is observed this trend should have gone far indeed. I believe our experience is typical of that of many sections of the country. Industry grows and spreads as population and standards of living and production increase. Banks in these areas must be prepared not only to follow, but to spearhead this trend.

From the short-term viewpoint, the look ahead into the year 1959, one characteristic seems to be outstanding. I believe that 1959 will be a year of slow, steady growth, with a steady upgrade rather than a series of peaks and valleys. It will be another good year in a long succession of good years, past and future, the cumulative effect of which will be a tremendous long-term expansion. I feel that it is the banker's duty now to set his sights on this ultimate expansion rather than on any temporary short-term boom or recession. The forces making for this ultimate growth will prove too strong to be deterred by any ephemeral dislocation of the economy.

J. RUSSELL DUNCAN

President, Minneapolis-Moline Company

Present prospects for general business in 1959 are good, and farm equipment manufacturing will prove no exception to the general trend. As a matter of fact, I personally believe that 1959 will be one of the best years for the farm equipment industry.

J. Russell Duncan

With the expectation that many acreage planting restrictions will be removed in the coming year, there will be an increase in employment on farms which in turn will certainly boost the need for new cost-reducing farm machinery. The technological improvements in today's tractors and farm machines will enable farmers to do vastly more work on the expanded acreage they will be planting.

And the farmer should have more cash in his hands for improvements, including the purchase of farm machinery, as the new year gets under way, because of the overwhelming production indicated by crop reports of 1958. Higher volume should more than make up for somewhat lower unit prices received by the farmer for his crops.

Since the business of farming is one of the most important elements in the total economy, accounting for an annual gross income of $35 billion, it offers our farm equipment manufacturing industry a really bright future. Our market is bursting with dynamic progress, I am happy to say.

In summary, as I see it, the general business outlook is very favorable for 1959. Business climate is much more favorable than it has been for a long time. Built-in reserves of economic strength are with us, such as social security, unemployment benefits and pension trust funds. Our unemployment benefits tend to offset the bad effect of continuing unemployment. Government expenditures will continue high. Total farm income will increase. The Gross National Product will continue to climb.

Nineteen-fifty-nine should be a good year to be in business.

BYRON DUNN

President, National Bank of Commerce, Lincoln, Neb.

Thanks to our large crops this past summer, the outlook for our Midwest is good. We look forward to servicing out-of-state corporations. We have cheap electric power, plenty of labor, good transportation by rail and by air; in fact, we have more air line stops planned for Nebraska than any other state. All these factors will permit us to serve corporations that wish to enlarge their operations and reduce their costs.

Byron Dunn

Loans are strong in Nebraska banks with a lot of commodity loans. There is a gradual increase in livestock which produces loans. All active banks in Nebraska are getting enough loans to make their operations profitable.

There is one thing that I think we as cities, states and Nation are very lax on—and that is getting information to our people. I am talking about industry and professional business. We all know that labor and socialism hires professional men and women to tell their story through the press and over the air, and it is my opinion that if we aren't to be swallowed up by labor and socialism, we are going to have to organize and tell our story on the American way of life. The general public needs to

understand the unselfish actions taken by many business and professional men in their efforts to produce a better life for themselves and their families and people around them. This is a glowing story, one that will interest the public, but the story needs to be put into print and on the air. Newspapers, radio, TV, and magazines such as *The Commercial and Financial Chronicle* will tell this story if it is made available to them.

This is one of the goals we look forward to helping with this coming year of 1959. It's easy to sit back and read the outlook from the different sections of the country, and do nothing! I hope those reading the articles that appear will take the advice of these men and your editorial comments and join in a united effort towards a better American Way of Life!

RAFAEL DURAND

Executive Director, Economic Development Administration, Continental Operations Branch, Commonwealth of Puerto Rico

Puerto Rico's long-term economic stability was put to the test and not found wanting during 1958.

Despite a recession that put a dent in the U. S. economy, manufacturers continued to expand to Puerto Rico in near record numbers during the year. A total of 127 new Stateside companies decided to establish themselves in the island, only two short of the record 129 set in the boom year 1957.

Rafael Durand

Overall, almost all sectors of Puerto Rico's economy made impressive gains and our economists predict even greater growth during the coming year. Puerto Rico showed increases in total income, agricultural and industrial output, and a record year for tourism and construction. We achieved important gains in private investment, external trade and in the development of new facilities in wholesaling and retailing.

According to the Government's Planning Board, the island's net income soared to $1,100,000,000—an increase of 7% over the previous year; while per capita income rose to $470 from the 1957 level of $440. Particularly striking was the increase in new investments which reached $274 million, up $18 million. The largest share of these investments (about $188 million) went to industrial plants and equipment promoted by the Economic Development Administration.

One statistic that perhaps best illustrates the increased efficiency on the part of our Puerto Rican workers is the net income gain from manufacturing which jumped 10% to $230 million during the year. This, of course, is a new high. Two industries that played a key role in this development were metalworking and machinery production which showed an 18% output increase.

The metalworking and machinery industries also contributed the biggest share of expansions on the island, mostly due to an after tax profit ratio three times the average of their U. S. counterparts.

The 127 new "Bootstrap" plants promoted represent 7,650 new jobs plus increased diversification for Puerto Rico's growing industrial complex. A large number of the U. S. affiliated plants which our office assisted in expanding to Puerto Rico are Blue Chips. Among these are Star Kist, Nebraska Consolidated Mills, Allied Paper and International Shoe.

An interesting aspect of how one single plant is helping our industrialization program is the chain reaction spurred by the establishment of Nebraska Consolidated Mills, a flour and feed mill. This new enterprise—not yet completed—is sparking a cycle of new industries. For instance, the plant will produce for Puerto Rico's growing cattle and dairy industry; it will supply and buy from breweries; sell to a new meat packing plant and to a tuna cannery on the island's south shore. Nebraska Mills is also credited with helping to promote a burlap bag factory; it will give a boost to agriculture by buying up sugar and perhaps sugar cane bagasse and also use up soybean pulp from a newly built factory. The soybean plant, by the way, will in turn provide the oil for the tuna cannery. Nebraska Consolidated Mills will also prove to be a more economical source of flour and corn meal as well as animal feed. And further, hog raising, poultry and poultry by-products stand to gain momentum for their development. Up to the present, Puerto Rico has been importing most of its meat products from the United States.

Although our program for industrial development slowed down in the first five months of 1958 due to the U. S. recession, by May, 1958 there was a definite upturn. October, 1958, was a record month with plants promoted reaching 38 during that month alone.

On several other counts Puerto Rico also enjoyed a good year. First, a three-year contract guaranteeing against a waterfront strike was signed in September. Small business got a boost from the establishment of the island's first commercial finance company with the help of James Talcott, Inc., world famous factoring firm. Electric power consumption increased by 20%, and decentralization of industry was successfully pursued, bringing new plants to remote areas and small towns on the island.

In the U. S. we expanded our industrial personnel facilities at our branch offices in Chicago and Los Angeles and set up a new office in Miami. Because of the island's proximity to Gulf ports, an increased number of inquiries from Southern manufacturers prompted us to open a new branch office. Our Miami office currently has a backlog of more than 120 inquiries from Southern industrialists.

In addition to industrial development another phase of Puerto Rico's "Operation Bootstrap" program also showed solid gains.

TOURISM— enjoyed one of its biggest years with the opening of three new resort hotels during 1958, representing a record investment of over $25 million. The number of hotel rooms available increased by 50%.

Income from tourism reached $39 million during 1957-1958 season. Through our Tourism office here in New York we arranged for additional cruise ship visits. The three new hotels opened were the 320-room San Juan Intercontinental built at a cost of $7,500,000; Laurence Rockefeller's Dorado Beach Hotel and Country Club located 20 miles west of San Juan and the 300-room La Concha (The Seashell) which cost $8,000,000.

Today, tourism is Puerto Rico's third most important industry. Last year it provided a $31 million income for the island and we estimate that next year the figure will probably hit $50 million. Perhaps most important in this field are the 20 new hotel projects in the works. Most prominent of these will be an 18-story Sheraton hotel, the development of the entire east coast as a resort playground and the first branch of the world-famous Maxim's Restaurant of Paris. The Sheraton project is estimated to cost approximately $10 million and will be located in San Juan.

Among other hotel projects promoted by EDA: the Hotel Corporation of America is planning to operate two hotels on the island, one a 350-room $8 million project, the other a smaller $3 million 176-room hotel. Others in the works include a 300-room resort to be built by the Overseas Hotel Corporation and 150-room oceanfront structure near San Juan's International Airport to be constructed by a group of Puerto Rican and Stateside investors. During the coming year we expect to have close to 250,000 visitors to the island, particularly with the possibility of jet service.

In 1958 while the U. S. underwent an economic slowdown Puerto Rico's economic development continued to move ahead. What then is in store for the island Commonwealth now that activity in the States has resumed?

For one thing, the island's economy moved into a calendar year 1959 at top speed. Industrialization appears certain to register its biggest year since the inception of "Operation Bootstrap" a decade ago. In the last six months a total of 75 U. S. firms have been promoted, and the momentum built up is not letting down. On the contrary, it is sweeping upward at a faster pace with the backlog of plants in the process of being established still mounting. By June 30, 1959 we expect to reach new highs in plants promoted; our estimate is 150 new plants and 9,000 new jobs. The fact that a substantial number of prospects negotiating for branch-plants are Blue Chips is evidence of Puerto Rico's long-range industrial stability.

The construction outlook surpasses our earlier expectations. Among the important industrial projects are a $12 million expansion at the Caribbean Oil Refinery; the $34 million Water Resources Authority's thermal electric plant; Consolidated Cigar's second plant to be built at a $3 million cost; a $3 million meat packing plant; a $1 million tuna cannery and a sugar-cane bagasse processing plant estimated at $1.5 million.

As Puerto Rico progresses new developments come into focus. Oil exploration should get under way for the first time in the coming year. A tentative estimate of costs for the tests to be conducted by a Texas oil firm is placed at $4 million. Perhaps this is symbolic of Puerto Rico's progress. In a real sense oil has already been struck in the Commonwealth's economic development.

GEORGE S. ECCLES

President, First Security Bank of Utah, Salt Lake City, Utah

The business outlook for 1959 is generally excellent. It is not a boom year, as was 1955 following a year-long recession, but should be one of substantial growth. Increased production and trade which began in the last few months of 1958 should continue throughout most of 1959. Production, sales and consumer incomes will increase substantially, while living costs should be relatively stable.

George S. Eccles

The major deterrent factor overshadowing 1959 is the threat of further inflation. The $12 billion Federal deficit of this fiscal year is recognized as related to the recent recession, and has more or less been accepted. The real problem, however, is the budgetary prospect for the fiscal year beginning next July. There seems to be no logical excuse, even with large expenditures for defense, to warrant appropriations beginning in the coming fiscal year beyond anticipated income. Sound fiscal policy and a possible substantial budgetary surplus are called for in periods of high economic levels which 1959 will bring. This is a major problem for Congress.

With increased output and trade, additional business credit is required. Firm or tight Federal Reserve monetary policies will permit some increases in the money supply compatible with output of goods and services. But, interest rates will continue high so long as the Federal Reserve authorities limit credit expansion as anticipated as the major tool in the fight against inflation. Except in home building, credit controls and tight money policies will not adversely affect most business plans.

Among the basic economic factors significant in the 1959 outlook are the following:

(1) Production of most nonferrous metals will increase from the low 1958 levels. Upwards of 9% increase in production and shipments of copper and aluminum are expected. Some improvements are also anticipated in lead and zinc due in part to construction and improved automobile outlook.

(2) Demand and orders for steel will increase up to 25% over those of 1958 with operating ratio averaging approximately 80% of capacity compared with the 60% of 1958. Increased demand for automobiles, machinery and construction are significant in the steel outlook.

(3) Building material demand will continue throughout most of 1959 at the high levels prevailing in the last six months of 1958. Cement and clay products output should increase by 3-5%. Lumber will increase up to 6% from the 1958 totals.

(4) Outlook for textiles and apparel are generally

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With Daniel F. Rice

(Special to THE FINANCIAL CHRONICLE)

CHICAGO, Ill.—Frank L. Phillips is now associated with Daniel F. Rice and Company, 141 West Jackson Boulevard, members of the Chicago and Midwest Stock Exchanges.

With Negley, Jens

(Special to THE FINANCIAL CHRONICLE)

PEORIA, Ill.—Edgar J. Reilly is now affiliated with Negley, Jens & Rowe, Jefferson Building members of the Midwest Stock Exchange. He was formerly local manager for Taussig, Day & Co., Inc.

Hathaway Forms Co.

RICHMOND, Va. — Robert M. Hathaway is engaging in a securities business from offices at 8518 Julian Road under the firm name of Hathaway Investment Co. Mr. Hathaway was formerly with R. S. Dickson & Co., Inc., Mason-Hagan, Inc. and Thurston & Co.

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good. Inventories have been reduced, production and sales are expected to increase some 5%.

(6) Employment should increase by 1.5 million, unemployment decrease by at least one million. Increases in automation and newer production facilities added during the past few years mean increasing productivity considerably faster than total demand for labor. Labor problems and wage rates may become significant by mid-year.

Specifically, the following items are of major significance in the financial outlook for 1959:

(1) Gross National Product for the entire year should total $470 billion, or 7.5% above 1958.

(2) Personal Income should reach an annual rate of approximately $390 billion, an increase of 3.5% over 1958.

(3) Industrial production will probably increase by almost 10% and approach the peak reached in December, 1956 of 147% of the 1947-49 average.

(4) Capital expenditures by industry will increase slightly from the 1958 levels. But, expenditures by governments, including the Federal Highway program, and by local governments will raise the total above $52 billion.

(5) Residential construction will be hampered somewhat by tighter secondary mortgage markets, but outlook still calls for one million dwelling units.

(6) Increase in savings is expected, especially at commercial banks and other institutions, but at a rate somewhat below that of 1958. Some increase in loans is expected in most major segments, commercial, mortgages and consumer finance.

All in all, 1959 will be a good year, but will present many problems. The main one being a fight to control inflation.

BYRON K. ELLIOTT

President, John Hancock Mutual Life Insurance Co.

At the beginning of 1958, the national economy was receding sharply; at the end of the year, it was recovering both vigorously and broadly.

In proper perspective, the recession of 1956-1958 is to be regarded as a corrective adjustment in a growth period. The causes of the recession, which bottomed in the second quarter (after a decline of some 14% in the output of the nation's factories and mines) were implicit in growth and economic development since the War. Various excesses required at least some degree of correction.

Byron K. Elliott

Recovery should continue without major interruption during the year ahead. Its ultimate goal is not only the reattainment of peak levels of operation previously reached, for capacity levels have risen meanwhile. But, given progress to date, it seems reasonable to expect that full recovery may be approximately realized by the end of 1959.

Four years ago, it was apparent that we were at the threshold of a $400 billion economy in terms of gross national product or total expenditure on goods and services. That level was in fact attained in the third quarter of 1955. A year hence, we may be at the threshold of a $500 billion economy.

Life insurance has experienced another outstanding year—it has again made several new records, despite somewhat lower levels of general business activity; total in force increased $35 billion to $493 billion at year-end, or approximately 8%; sales of Ordinary exceeded $47 billion, surpassing the record high of 1957 by $2 billion; reflecting growth in coverage, accumulated assets rose 5.8% to $107 billion; and the earned rate of investment return (before income tax) increased from 3.75% to 3.85%.

In fact, the upward progress of life insurance in our country has had only one interruption since the end of the 19th Century, and that was both minor and brief. In periods of economic expansion, the increase of life insurance in force naturally accelerates; and in periods of lesser buoyancy, or even depression, it continues to grow, although at a slower rate.

In the year ahead, the nation's life insurance in force will pass the half-trillion mark by a substantial margin. The promise of increasing general business activity means rising disposable income and employment, and therefore we may confidently expect the volume of both new Ordinary and new Group sales to exceed that of last year. The protection which life companies also provide against the costs of hospital and medical care, and loss of income because of disability, should continue to grow apace. Payments to policy owners and beneficiaries will exceed $10 billion for the first time (in any one year). The upward trend during the last decade of earned rates of investment return (before taxes) should not be interrupted. But lowering of the cost of insurance—which would otherwise result therefrom—will not be fully realized if life companies are to be subjected to still heavier income taxation.

The development of American life insurance, particularly in recent years, may truly be said to reflect dynamic adaptation to diverse and ever-changing needs of our people. 1959 will again mark the introduction of new policies and plans, further simplification of contracts, and broadening of underwriting procedure and practice.

HON. ALLEN J. ELLENDER

U. S. Senator From Louisiana

It is still too early to predict the nature of and the outcome of agricultural legislation that will be considered during this Congress.

There is no doubt that some changes should be made in existing laws. Some will be quite troublesome whereas others may be handled quite expeditiously. An example of the latter is Public Law 480, The Agricultural Trade Development and Assistance Act, which expires Dec. 31 of this year, and therefore, will have to be acted upon if the law is to be extended. This usually has strong bipartisan support and should present no real problem. Another piece of major legislation in this same category, which last year passed the Senate unanimously but died in the House, is the bill dealing with Industrial Uses of Agricultural Products. This legislation was well received and will no doubt be considered early in the session.

Allen J. Ellender

Legislation affecting the production and marketing of wheat will probably be the most troublesome. Widely differing program concerning this commodity have been proposed by national farm organization as well as by individuals. These will have to be studied carefully before any action is taken.

Additional problems will most assuredly be encountered in dealing with the Administration proposals. The President, in his message, indicated that he will recommend legislation aimed at "greater freedom for markets to reflect the wishes of producers and consumers," and indicated that past actions by the Congress "were appropriate in direction but did not go far enough." However, the exact nature of his recommendations will not be known until the Administration presents its specific programs to the Congress.

Last year a law was enacted dealing with corn and feed grains, cotton, rice, and wool. The principal opposition to the bill had to do with the corn and feed grains section while the provisions affecting the other commodities appeared to be reasonably acceptable. Although legislation concerning these commodities will likely again be introduced, I personally feel that the Agricultural Act of 1958 should be given a chance to operate before any major changes are made. Further, I doubt that Congress will take any action to modify materially present laws affecting the production and marketing of cotton, rice, and wool.

In addition, I am sure that the Committee on Agriculture will have before it many additional bills affecting all phases of agriculture; particularly in the production and marketing of milk and dairy products. Some will propose completely new programs, while others will deal with minor amendments to existing law.

My personal feeling with respect to the law enacted last year will not preclude full and complete consideration of all legislation introduced during this session of Congress. In fact I feel that continuous and intensive study of the farm problem is mandatory. We must explore all new proposals fully for in them we may find a solution.

BAYARD L. ENGLAND

President, Atlantic City Electric Company

Recently John E. Corette, President of Edison Electric Institute and President of Montana Power Company, summed up the encouraging influences and the stability and progress of the electric utility industry during 1958.

B. L. England

In his year-end report, Mr. Corette pointed out that while industrial production, as measured by the Federal Reserve Board, declined over 19 points, electric production more than held its own. He reported that generation by all components in the industry totaled 641 billion kwhrs, an increase of 10 billion kwhrs over 1957.

In many respects, what has occurred in the nation's electric production is being paralleled in the Southern New Jersey area served by our company.

For example, we will add 132,000 kilowatts of generating capability to our Southern New Jersey electric system during the next five years. During the same period, the company will spend $95 million for new construction to provide electric service for expansion and growth in the eight county service area.

Twenty-seven million dollars of the company's expansion budget will be devoted to the construction of a new generating station at Beesleys Point in Upper Township, Cape May County. The first unit to be installed at the proposed plant will be a high-pressure steam generator and associated facilities capable of producing 132,000 kilowatts. Our company has already purchased land along the Great Egg Harbor and Tuckahoe Rivers for this new station. Bechtel Incorporation of San Francisco has been named Engineer of this project. We expect construction to start in 1960 and the plant will be scheduled for completion some time during 1963.

Last November, Atlantic City Electric Company added a new 86,000 KW generating unit at the company's Deepwater plant. The new unit raises the company's present capability in generation to 446,600 KW. This new unit, which cost $12½ million, took two years to build.

The company's electric system interchange capacity will be increased by approximately 60,000 kilowatts through a new transmission intertie with Philadelphia Electric Company, Public Service Electric and Gas Company and Atlantic City Electric Company. The new source of power will be completed in 1960 and will be in addition to its present intertie with Philadelphia Electric Company and other affiliates in the Pennsylvania-New Jersey Interconnection.

During 1958, 65 new industries and expansion of present industries were added to the company's lines. 5300 customers were added during the year bringing the total number of customers served by our company to 221,500. Gross revenues of the company increased 5.2% over the same period in 1957 reaching an all time high of $35,-600,000.

In some respects, the eight county area of Southern New Jersey is out-pacing the state and nation in the use of electricity. Our residential use of electricity in the past 12 months increased 4.4%. Our average annual residential use reached an all time high of 3415 kilowatthours in 1958 compared with the nation average of 3385 kilowatthours.

Diversity of our service area seems to be one of the important factors of stability. The area embraces three distinct zones: the industrialized Delaware Valley, the 40 miles of world famous resorts on the New Jersey shore and between the two, a vast, rich agricultural section.

Mr. Corette, in his year-end report, pointed out that the investor-owned electric companies will pay approximately $2 billion in taxes for 1958. Taxes are also an important factor in the operation of Atlantic City Electric Company. During 1958 the company's tax bill was $6,600,000 of which $2,900,000 went to the Federal Government and $3,700,000 to state and local governments.

ROBERT W. ENGLEHART

President, Parker Rust Proof Company

It seems to me that the indicators are definitely pointing to continuing upturn in 1959. Good news is coming in from the automobile, appliance and steel industries and to my way of thinking they tell the story. It may be, as some economists claim, that this does not necessarily herald a boom year in 1959. In fact, I shall not be surprised if many of the very optimistic reports for 1959 prove to be too much on the bright side. But I have no trouble predicting that while 1959 may not turn out to be the best, it certainly will not approach the worst, and that it will be considerably better than 1958.

Robert W. Englehart

In our field of metal treatment, we have no doubt that business in 1959 will be better than in 1958 and should be close to 1957 or better.

RAY R. EPPERT

President, Burroughs Corporation

The factors that influence economic forecasts seem to indicate a good business year in 1959. In the office equipment industry, with which I am associated, the prospects appear bright for better revenue than in 1958.

Ray R. Eppert

For business generally I believe we can expect the trend of Gross National Product, employment, sales and corporate profits to continue upwards.

The rate of business acceleration will depend on the direction of some as yet indefinite factors. Although most of the significant elements in the movement toward recovery are rising, all trends are not moving at at the same rate. For instance, productivity and personal income have continued to rise, even during the deepest period of the recession, but employment and consumer demand for durable goods has not kept pace.

It is also apparent that rising trends have not yet stabilized into a predictable pattern.

However, although fourth-quarter reports are not in, there is ample evidence that consumer spending has now begun to rise significantly, due in part to the strengthening automobile market and heavier holiday buying.

The conclusion seems to be that the economy is following the same general pattern of recovery common to other recent recessions. Historically, it is characteristic for cyclical upswings to begin rapidly and somewhat erratically, then settle into a more even pace after a few months. This seems to be the situation at the moment.

Although corporate profits in the third quarter came to within 9.2% of the record 1957 rate, industry leaders are in no mood to gamble, largely because of the thin margin between profits and production costs. Most businessmen consider paring costs as their best protection from a dangerously narrow profit margin. Third-quarter reports of smaller sales coupled with larger profits, in the face of rising wages, has borne this out.

We expect the pre-occupation with problems of efficiency to have a noticeable effect in the office equipment industry. The cost-saving characteristics of good data processing equipment are in the foreground of efficiency programs, and intensive research and development at Burroughs is aimed at creating systems to implement them.

Burroughs Corporation has just completed its best sales year in history, in spite of the economic downturn. With business now in a more efficiency minded mood and in a stronger position to invest in new equipment,

we anticipate an even greater sales volume in the year ahead.

H. C. ESTABROOK

President, Sealright-Oswego Falls Corporation

With several basic trends continuing strongly in favor of the packaging industry, 1959 should be another year of good growth for the industry, especially paper packaging, the field in which Sealright-Oswego Falls Corporation serves.

Henry C. Estabrook

The population growth and the resulting increase in the sale of packaged food including milk and dairy products; self-service supermarket retailing; the pre-packaging of foods of all kinds including complete meals in paper packages with no dishes to wash, and other packaging developments in the competitive race to save the housewife from drudgery; the TV snack; and the frozen foods industry and freezer space in stores and homes — these factors, and more, have brought vast new opportunities to the packaging industry and have caused the remarkable and fast-moving developments that we see in packages competing for attention today.

Because of the work-saving and sanitary advantages of the single service package as well as the advantages that apply in particular to paper, paper packaging has registered important gains from these trends and has been one of the fastest growing divisions of the paper industry. Paper milk cartons for packaging milk represent one of the larger segments of the industry and have shared in its growth. Over 50% of packaged milk is now packaged in paper and consists of some 13 billion units per year. Each year shows some increase over the one before in favor of paper containers.

A considerable part of the gains registered in paper packaging is due to the new coatings developed for application to the paper. Plastic coating for instance provides paper containers free of paper taste, non-absorbent to liquid and moist foods and more resistant to leakage. This has made paper packaging available to many types of food and non-food products that could not use paper before. New developments in the way of improved coatings are in the making at the present time which will add even more products to this list in 1959.

Sealright-Oswego Falls Corporation is the first to introduce plastic coated paper packaging and has continued to improve its processes so as to provide packaging with more and more versatility. This plastic coating has been extremely instrumental in developing Sealright sales in the past ten years.

Today, with everything from boats to individual candies being packaged in one form or another, population growth is bound to bring about packaging growth, especially food packaging growth, and our United States population is growing at the rate of 3,000,000 per year.

Last year in the United States packaging industry sales exceeded ten billion dollars. Of this amount, approximately 45% was represented by paper packaging and the remaining 55% was divided between metals, plastics and films, glass, etc. Although the economic climate was somewhat unfavorable in the first seven months of 1958, the sale of food items continued to run slightly ahead of the previous year, which was in itself a fine year. Now that we are on the mend from the recession and every indication points to an increase in personal income of approximately 3% in 1959, the sales of food products should continue strong. This augurs well for the packaging industry especially in view of the fact that approximately one-half of all non-durable items sold are food products.

Weather to be sure is a factor affecting certain phases of the packaging industry in particular where it pertains to the packaging of items that are consumed at the beach, camp, picnic site, ball park, etc. When the weather is unfavorable as it was in many sections of the country during 1958, its impact on the consumption of these items is very noticeable and of course this impact is extended to the consumption of packages. Weather-wise, 1958 was a poor year. Given better weather in 1959, together with better economic conditions, normal growth in population plus an expansion of new items being packaged in paper containers for the first time, we in the packaging industry are looking for a good year in 1959.

ROLAND A. ERICKSON

President, Guaranty Bank & Trust Company, Worcester, Mass.

The outlook for banking in 1959 is inexorably intertwined with the over-all trend of the national economy and government budgets. The 1958 recession proved to be short-lived as expected, but the sharpness of its recovery now raises questions for the current year.

Roland A. Erickson

In some respects, the rebound that has occurred is partly due to the impact of war and inflation scares in May and June of the past year which led to a re-examination of the status of inventories the country over. This occurred at a time when inventories had been declining at a very substantial annual rate. The present rate of recovery, therefore, should not be viewed as a continuing phenomenon. A review of other basic forces seems to suggest that we can look forward to a high level of business in 1959 but not a super boom. Having in mind problems coming up with long-term labor contracts, it may be that 1959 will be a year of "troubled boom."

Another factor in the rate of recovery was the $12 billion government deficit for the fiscal year ending July, 1959. Apparently there is enough concern in Washington to encourage the belief that the 1959-60 budget will be in substantially better balance. However, the announced $77 billion balanced budget is probably too optimistic. Spending by all political units is on a one-way street which will sustain the business volume in the coming year.

Of basic importance to bank earnings is the impact of Federal Reserve Board action on the money market. To judge from recent public statements, that Board is rightfully standing firm in its obligation of trying to prevent undue deterioration in the value of the dollar, and to prevent a speculative atmosphere. Unless there develops startling international crises or domestic inflation scares of a psychological nature, a rather steady money market at about the levels of the past three months may be expected in the coming year. This statement should be qualified by the belief that present monetary forces do justify still higher prime rates and rediscount rates based on historical perspective. Eventually, it may be expected that such a relationship will prevail.

A strong national economy requires a strong banking system. It appears that the average banker is sensing more keenly that there is an earnings problem in the industry if staff and stockholders are to be adequately compensated. No industry is more vigorous than the quality of its staff and the happiness of those who invest in it. With this consciousness appearing in the public statements of banking leaders, it may be expected that more and more attention will be paid to the costs of banking services and their selling prices. Relatively speaking, this augurs well for the future of the banking industry.

ROBERT G. FAIRBURN

President, Diamond Gardner Corporation

Diamond Gardner's management feels that 1959 will show improvement in the company's profit picture. There are two basic reasons for our cautious optimism: (1) the economy, we feel, is on the rise which will continue until restrained by tighter credit controls; and (2) we will not face such heavy startup costs in the coming year.

Robert G. Fairburn

Diamond Gardner is a widely diversified company in the forest products industry. Five operating divisions — General Package-FOODTAINER, Lumber, Woodenware, Diamond Match, and The Gardner division—turn out molded pulp products, paperboard and paperboard cartons, matches, woodenware (such as toothpicks and tongue depressors), lumber and lumber products. Except for some building and related materials sold in our retail outlets on both coasts, all Diamond Gardner products have one thing in common: they come from the forests. General Package-FOODTAINER Division should have an improved profit picture. In the past year, it has developed new products such as the "Chic-tainer" tray for pre-packaging poultry. In addition, the normal growth of the population, plus a strong trend toward outdoor eating and in-plant feeding, will tend to increase our sales volume in molded pulp plates. We anticipate increased sales for our "Neet-Heet" charcoal briquet package—made of molded pulp which burns with just the right speed to light the briquets inside.

The General Package-FOODTAINER Division has its new Red Bluff, Calif., plant in complete operation. Nonrecurring startup expenses have been charged off this year, and we have reasonable expectations for a better profit picture for the operation. Already planned is an additional 20-30% increase in egg carton production capacity in the coming year. The new $25 million plant has molded pulp manufacturing facilities and lumber manufacturing facilities.

The new lumber facilities at Red Bluff have allowed us to close two old mills and incorporate their personnel into the Red Bluff staff. We do not foresee much improvement in the market for the lumber division's products. Elimination of nonrecurring Red Bluff startup expenses and lower production costs will improve performance. Increased housing starts in the coming year may offset some depressing factors in the lumber industry.

Our match and woodenware divisions operate in a fairly stable business atmosphere. However, the recent reorganization of their management teams makes us confident that we can improve their performance. The match division, especially, will improve through better products with more consumer appeal.

The paperboard and carton industry is highly competitive. We look for new business in that field, however, by careful attention to costs while producing better products. An example is Gardner's "Redi-Tote" shoe box. It cuts handling costs for the manufacturer and the retailer. At the same time, it's more convenient for the customer to carry.

In the past year Diamond Gardner has continued to expand its facilities while reorganizing our management lineup (partially brought about by our merger in 1957 with The Gardner Board & Carton Co.). Each division now takes complete responsibility for its sales and production and operates as a profit center. We think we've done a tough job well. We now have new products, new plants and new resources with a better management organization to direct them.

Summing up, we think Diamond Gardner should have a somewhat better profit performance in 1959.

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Accounting & Inv. Services

DOVER, Mass.—Accounting & Investment Services, Inc. has been formed with offices at Perry Lane. Officers are Edward H. Arnold, President; H. A. Holder, Clerk.

With Wyatt, Neal

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga.—Owen C. Vardaman has become connected with Wyatt, Neal & Waggoner, First National Bank Building. He was formerly with J. W. Tindall & Co.

Joins A. G. Edwards

(Special to THE FINANCIAL CHRONICLE)

BELLEVILLE, Ill. — Harold W. Burdick is now with A. G. Edwards & Sons, 13 Public Square.

A. Kleine Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

CHICAGO, Ill.—John E. Munger has been added to the staff of Alexander Kleine & Co., 120 South La Salle Street.

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ERNEST S. FIELDS

President, The Cincinnati Gas & Electric Company

The last several months of 1958 strongly indicated that the economy of our Company's service area has experienced a pronounced upswing and that the decline in industrial sales of electricity and gas, which occurred during the latter part of 1957 and the first part of 1958, has been reversed. Throughout the recession period residential and commercial sales continued their growth and more than offset the declines in industrial sales.


Ernest S. Fields

The advantages of the widely diversified industrial business within the area were evident during the latter part of 1958 when the increases in weekly kilowatt hour sendouts over the same week of the prior year were greater for our Company than for the country as a whole and for our own particular region. We expect the growth in industrial gas and electric loads to continue throughout 1959 and, when combined with the continuous growth in the residential and commercial loads, to result in increases in total gas and electric sales equal to or greater than those experienced during the years prior to 1957.

There are several factors which contribute to the anticipated long term growth pattern. The population of the area continues to grow at a pace that adds from 7,500 to 10,000 residential electric customers and 4,000 to 5,000 residential gas customers each year.

Sales of load building electric and gas appliances continue strong and it is estimated that conversions and additions will add about 11,000 gas heating customers to our lines during 1959. New suburban shopping centers, which are large users of electric and gas services, are being constructed each year. New industries continue to be attracted to our Company's service area. These not only increase the industrial gas and electric loads but they also result in increased population with resultant larger residential and commercial consumption. A large steel company is in the process of increasing its rolling capacity by 35%. This conversion will be completed in the second quarter of 1959 and the energy used by this customer will increase substantially.

We firmly believe that our territory will continue to grow at a fast pace. It is ideally situated in respect to both the large population centers of the nation and all forms of transportation such as water, rail, air, etc. It has also a stable and dependable labor supply and offers an abundance of educational, cultural, and recreational opportunities which will continue to attract people. Substantial progress is being made on improvements which will make the Greater Cincinnati Area even more attractive to industry and as a location for headquarters of companies doing a national business. These improvements include the recanalization of the Ohio River, construction of expressways to expedite movement of vehicular traffic into and through the area, a new bridge over the Ohio River and a freeway which will provide easy access to the Greater Cincinnati Airport, a new Federal Building and plans for a large underground garage in the center of Cincinnati.

An indication of our Company's confidence in this growth is the fact that, during the past ten years, it has spent $263 million for construction and plans to spend an additional $72 million during the years 1959 and 1960. It is estimated that the electric industry will double in size during the next ten years and there is every reason to believe that our Company's rate of growth will be at least equal to that of the industry. Continued substantial growth in our gas business also is anticipated.

HARVEY S. FIRESTONE, JR.

Chairman and Chief Executive Officer, The Firestone Tire & Rubber Company

My belief that 1959 should be the best sales year in the history of the rubber industry is on the continuing growth of unit tire sales, increased sales of all other divisions in the rubber industry and the encouraging rate of expansion of foreign operations.


H. S. Firestone, Jr.

As a result of the rising dollar volume in the industry during the last six months of 1958, the rubber industry enters the new year with all factors favoring a continuing increase in dollar volume. The demand for tires in the year ahead will be greater because of increased production of automotive vehicles and a greater number of cars in use.

It is estimated that passenger car production will be up approximately 1,250,000 units, from 4,250,000 in 1958 to 5,500,000 in 1959, and that truck production will rise some 220,000 units. The market for replacement tire sales through local tire dealers on some 43,000,000 cars that are now two years old or older presents another outstanding opportunity for 1959.

As for foreign operations, the rate of growth is exceeding that at home. Figures for rubber consumption outside the United States indicate an increase of 94% in the past 10 years. Rubber consumption in the United States has gained 42% in the same period.

It is reasonable to expect that 1959 will be the best sales year in the history of the rubber industry.

JOSEPH A. FISHER

President, Reading Railroad

An upward trend in carloadings and revenues in the last quarter of 1958 is indicative of a further modest rise in business during at least the first half of 1959 for us. The recession which cut 1958 earnings of the Reading to a level far below those of the previous year is apparently ended, and the hard-hit economy is taking an upturn in which we should participate.


J. A. Fisher

Areas of particular encouragement despite the low level of earnings were adoption of the Transportation Act of 1958 by a Congress increasingly aware of railroad problems, and, on our own railroad, the continuing growth of port facilities and industrial development, along with the application of technological advancements.

In view of reduced earnings in 1958, the railroad exercised careful control of its expenses, but at the same time, carried out long-range studies for future capital improvements to provide greater economy, and efficiency, as well as better customer service, when earnings permit resumption of such expenditures.

Two new records were established at the Reading's Port Richmond Marine Terminal in Philadelphia, where more than $800,000 was spent in 1958 for enlarged ore and coal handling facilities. The largest single cargo transshipped in the 114-year history of the terminal—35,848 tons of iron ore—lifted into 640 railroad hopper cars from the ore carrier "Rio San Juan," and the largest coal cargo ever handled there—20,760 tons of anthracite shipped to France in the freighter "Andros Mariner"—were high marks of the year for the Delaware River port. The new ore unloading facilities are expected to increase capacity by up to 200,000 tons annually.

Further spurring economic growth and enlarging employment opportunities in the area, as well as providing new traffic for the railroad, 30 new industries were located along tracks of the Reading System during 1958. The new Grace Mine of the Bethlehem Steel Co. near Morgantown, Pa., began shipping iron ore concentrate on Nov. 12.

Technologically, Reading research engineers applied new techniques in combating wear on curved rail through a new "dry lubricant," and made the first railroad application of rock bolting in stabilizing the roofs of railroad tunnels.

The Reading is participating with the Pennsylvania Railroad and the Philadelphia Transportation Co., in a pioneering six-month test on Chestnut Hill rail lines to determine whether lower fares and added service will attract riders to mass transportation and reduce traffic congestion. The test, known as "Operation Northwest," is sponsored by the City of Philadelphia. We are hopeful it will offer a possible solution to the increasingly heavy expense to the railroads of handling short-haul passenger service.

While the past year was disappointing, from a business viewpoint, the new year offers a brighter outlook for the economy as well as renewed hope in the promise of more equitable competitive conditions through the Transportation Act of 1958, steps leading to a solution of our passenger deficit, and the prospects for further legislative relief in the new session of Congress.

ROBERT H. FITE

President and General Manager, Florida Power & Light Company

During 1958 new residents continued to come to Florida in large numbers. One measure of this was the new customers connected to the lines of Florida Power & Light Company. At the end of October, our total customers were up 42,000 over October, 1957. While this gain is less than the 56,000 increase for December, 1957, it is still very substantial. Another measure of the large continuing influx of new people is the fact that for the year ending July 1, 1958, U. S. Census estimates of the number of new residents in each state put Florida in second place.


Robert H. Fite

Florida had some cold weather in the winter of 1957-58 which set the worse record, weather-wise, we have had since 1900. We are happy to say that, at this writing, the sun is shining now and that the U. S. Weather Bureau predicts the usual warm weather for this season. This, coupled with the magnificent hotel and motel facilities, including new establishments constructed in 1958, gives promise of an outstanding record of winter visitors.

The benefits of our climate and the widespread desire of people to live and work in Florida, which spurred our industrial development, are becoming known to more and more industrialists. Such benefits are among those that brought important national manufacturers such as Pratt and Whitney, Minneapolis-Honeywell, Glenn L. Martin, Sperry-Rand, Westinghouse Electric Corporation and many others to Florida. While the national recession of 1958 may have postponed the plans of some companies, interest in the state on the part of manufacturers is widespread and we are experiencing continuation of our industrial development. As a result of such development, Florida's numerical increase in manufacturing employment during the period 1947-57 was exceeded by that of only five states. In 1957 we moved from sixth place up to third place in this category. From September, 1957 to September, 1958, our increase put us up one more step, namely, second out of the 48 states. FP&L's sales of electricity to industry for the 12 months ending October, 1958 were up 30% over the preceding 12 months.

In spite of crop damage from the cold weather of 1957-58, our agricultural economy as a whole is doing well, particularly citrus. The Federal Reserve Bank of Atlanta reports that our cash receipts from farm marketing this year will exceed last year's by 18% to lead the six states in their district. Citrus sales bring in about 38% of Florida's farm income.

Based on Florida's growth in 1958, we feel that 1959 will be a very good year and look forward to the future with confidence.

SAM M. FLEMING

President, Third National Bank, Nashville, Tenn.

As 1958 drew to a close, it was quite obvious that all segments of the economy were continuing to move forward from the low point of the recession, which was reached in the second quarter of the year. There is every indication that this forward movement will continue well into 1959 and, in all likelihood, for the entire year. Inventories are being rebuilt, government expenditures continue at a very high level, housing starts should be well in excess of one million, and both personal income and expenditures should be substantially ahead of 1958. If automobile sales reach expectations, the year could easily break all past records.


Sam M. Fleming

However, with record prosperity prevailing and excellent progress being made in business techniques and economic understanding, we still have not solved the chronic problems of unemployment and the seemingly inexorable erosion of the dollar. Until the general public recognizes the malignant danger of inflation and is willing to discipline itself to the counter-measures necessary to contain this great problem, we must consider the future with considerable alarm.

The problem of inflation will undoubtedly become increasingly pronounced as the communist world builds up the tempo of the economic cold war. Their advantages of slave labor and the totalitarian state cannot be taken lightly, and we must no longer indulge ourselves with the illusion of being all-powerful. A balanced Federal budget, sound fiscal policy and the gearing of wage increases to productivity are absolutely essential if we are to prepare ourselves to contain inflation and meet the economic threat which the communist world presents. To do so will require the enlightened thinking of both business and labor leaders and the cooperation of the public and government officials.

O. T. FITZWATER

President, Indianapolis Power & Light Company

Business and operating conditions for 1959, as we foresee them, offer considerable promise for the electric utility industry in general.

In our opinion, all three major classes of electric utility sales in 1959 will show substantial gains in kilowatt-hour sales and revenue dollars.


O. T. Fitzwater

For the residential class, the general improvement in economic conditions, particularly in the manner such improvement generates optimism for new purchases, should lead to a sustained and growing volume of new electric appliance sales. Increases in the rate of new home construction also will lead to increased kilowatt-hour sales in 1959. In addition, electric space heating and air conditioning will make substantial contributions to an increase in sales volume for this class of customers. Commercial sales will increase at a very satisfactory rate in 1959. The high rate of completion of new suburban retail facilities and office buildings in metropolitan areas in 1958 will reflect substantial increases in kilowatt-hour sales in 1959. As the high rate of construction of commercial and institutional facilities continues in 1959, further gains in kilowatt-hour sales will be realized. While the number alone of these new commercial and institutional buildings will lead to sales gains, the higher levels of illumination, air conditioning, electric food service equipment, and electric space heating being utilized in these facilities to an ever-increasing extent will offer great potential for sales gains in 1959.

Kilowatt-hour sales to industrial customers in 1959 are certain to show significant increases over 1958, due in part to the moderate rate of improvement anticipated for industrial output. Efforts by the management of industry to develop new materials, alter product design, and improve production methods in order to reverse the trend of decreasing net earnings, also will bring about additional applications and use of electrical energy. Since such effort will be foremost in the planning and action of industrial management in 1959, kilowatt-hour

sales stand to benefit from this factor more than the arithmetic gain to come with increased industrial output.

The electric utility industry in general will continue with substantial construction programs in 1959 and will have a corresponding need for new investment capital. Total expenditures for new plant, however, will not equal the levels of 1958. The construction programs completed in 1957 and 1958, and the effect of the industrial decline, have left many utilities with a substantial reserve in generation and transmission capacity.

The increase in sales naturally will require some increase in utility plant to serve the new loads involved. Such new plant requirements will be predominantly in the nature of distribution facilities. Much of the increase in sales to industrial customers, however, will be through facilities in place before the recent industrial decline.

This combination in 1959 of increased sales and a reduced level of capital expenditure should lead to substantial improvement and gain in net income and earnings for the industry in general. The improvement and gain in earnings will be affected to a large extent, however, by the rate at which inflationary pressures cause material prices and wages to rise in relation to the rate of increase in revenues.

ANDREW FLETCHER

President, St. Joseph Lead Company

For years it has been quite common to consider the United States as the premier lead and zinc mining country of the world. But a new chapter is being written in mineral history. In 1957, the United States was displaced by Australia as the world's number one producer of lead. Last year, Canada overtook the United States to become the world's premier producer of zinc. We now are second place in both metals.

Andrew Fletcher

The most striking development in the domestic lead and zinc mining industry during 1958 was the imposition of quotas on imports of ores and metals by Presidential action. Illustrating the need of this step, one has only to note the poor record of domestic mine output recently. Preliminary estimates indicate that the production of both lead and zinc from domestic mines last year was the lowest since the depression days of the 1930s. Only about 265,000 tons of lead and 400,000 tons of zinc are estimated to have been mined in 1958 from United States properties. In 1957, production was also low, but by comparison totaled 338,000 tons for lead and 532,000 tons for zinc.

This record is in sharp contrast with the showing of competitive foreign producers. My estimate indicates that the most important producing countries abroad will show a total production only slightly different from that in 1957. For some countries, production was even higher. However, we have to recognize the fact that certain foreign governments give full employment policies paramount consideration, so that it is difficult to curtail, and a shut-down is almost unthinkable. This seems odd considering the frequent comment of Latin American countries that they are dependent for their prosperity on the export of their raw materials and good prices. Modest curtailment all around would work wonders in the market place.

For several years, the lead and zinc miners have sought relief in Washington from the extraordinarily high flood of imports they have been receiving from foreign countries. The Administration early in 1957 took the unusual step of requesting Congress to increase the tariff rates on lead and zinc by a sliding scale, but this relief was denied. The miners subsequently sought relief through escape clause action under our tariff laws and were successful in procuring an unanimously favorable decision from the Tariff Commission. However, the President decided to seek another solution in view of the loud and somewhat emotional outcry from Latin American and other countries about any prospective tariff increase. He proposed a subsidy plan which almost succeeded in becoming law, but this also was defeated in Congress. He then took another step open to him of imposing quotas on imports, the quotas to be based upon 80% of the average imports for the years 1953 to 1957 inclusive. This was followed by a governmental meeting in Geneva last November of the lead-producing nations of the world under the auspices of the United Nations, endeavoring to develop a plan for voluntary world-wide adjustment of production to consumption. However, as is often the case, no common understanding was reached. Further meetings are contemplated, and in the meantime, the State Department has indicated that quotas are likely to remain for at least a year.

Lead consumption in 1958 was estimated to be about 992,000 tons in the United States, and zinc consumption 823,000 tons. Imports remained at a high level, about 530,000 tons for lead and 625,000 tons for zinc. Lead started the year with a price of 13¢ per pound New York and declined to a low of 10¾¢ on July 13, but recovered subsequently to 13¢, where it was as the year closed. For zinc, the year started at 10¢ per pound East St. Louis, where it remained until early October when the price was increased to 10½¢. It ended the year at 11½¢.

Entering 1959, the zinc situation appears to be substantially better than that of lead, but should our business recovery continue and quotas in the equivalent remain in force, I feel that the outlook is promising for both metals.

CARL J. FORSBERG

President, Wisconsin Power and Light Company

In 1958, our service area experienced a decline in general business activity along with the rest of the nation. In addition, a rate reduction for certain commercial categories was in effect for the entire year and unexpected weather conditions restricted the demands for energy. Despite this combination of circumstances, our total revenues increased by about 3½%. Such results emphasize the stability of residential and rural sources of revenue. In our service area, they accounted for almost half of our business and their gains more than offset the drops in commercial and industrial sales.

Carl J. Forsberg

Although national figures are not yet available, results for other companies will probably be about the same as ours, except for those serving predominantly commercial and industrial areas. The effect of the 1958 downturn was more pronounced in such areas, but even those utility companies should have total sales about equal to 1957.

The business recovery in general has been such as to justify cautious optimism for the future. The resurgence of consumer confidence, an increase in personal savings to our highest peacetime level and an improved consumer credit picture are all encouraging signs to businessmen everywhere. Yet, we must not overlook the fact that since World War II inflation has been, and still is, a potent threat to our nation's economic health. It will continue to require special attention.

Facilities for electric utilities require heavy investment, take considerable time to construct and must be operating prior to anticipated demands. Consequently, the risks of forecasting are greater for us than for most businesses because we have to commit ourselves well in advance of conditions. It is significant that our industry expects to double its facilities in the next ten years. It is to that extent that we anticipate increased demands by a growing population which will be using more and better electric tools and home appliances.

The immediate prospects for the electric utility industry are good. The business recovery should continue because it appears to be on a sound basis and will probably last longer if restraint is exercised and inflation controlled. Being less susceptible to economic downturns yet responsive to uptrends, our industry occupies an enviable position.

HARRY B. FREEMAN

President, Rhode Island Hospital Trust Co., Providence, R. I.

The stock market is forecasting a continuance (or resumption) of inflation, an expansion in business activity of boom proportions, and an increase in corporate earnings of the order of 35%; a figure, incidentally, with which the government's budget experts seem to agree. The bond market appears to be discounting substantially the same developments, to be expecting higher interest rates and a climate generally unfavorable to the ownership of fixed-income securities. The question as we enter 1959 is whether these implied forecasts are likely to prove correct.

Harry B. Freeman

In my judgment they will be correct only in part. The pendulum in 1958 swung too far in the direction of accepting inflation as a permanent way of life in this country; we may see the beginning of a swing in the opposite direction in 1959. The fuel for inflation is abundant and Federal has repeatedly warned that the avoidance of further inflation is our major problem. The increase in the money supply since last January has been at an unprecedented rate, so rapid in fact that Federal shifted to a restrictive credit policy earlier in the cyclical upswing than ever before. If a boom of the size envisioned by the stock market were to develop, Federal would be forced into a still more restrictive credit policy with the inevitable result of slowing down the expansion in business activity and earnings. The immediate effect on bonds might be adverse, but the subsequent effect would be favorable.

At the end of the year, therefore, we may look back on a smaller business boom than the stock market is now discounting, in which case holders of stocks will have been disappointed, holders of bonds will have been encouraged, the economy will be healthier, and the fears of inflation will have subsided—temporarily.

ROBERT W. GALVIN

President, Motorola, Inc.

The consumer products segment of the electronics business can look forward to a good sales volume in 1959.

In the television category for 1959, we estimate unit sales of 6,200,000, an increase of 15% over the 5,700,000 of 1958. In table radio, an estimated 2,500,000, off 10% from the 2,800,000 last year. Clock radio, 2,300,000, up 2% from 2,250,000. Portable radio, 3,000,000, up 7% from 2,800,000. Monaural phonographs and hi-fi will give way 63% to 1,000,000 units from 2,700,000 this year. At the same time, stereophonic high fidelity will soar to 3,000,000 units from 750,000. Car radio will enjoy a resurgence of some 32% to 4,500,000 compared with 3,400,000 units in 1958.

Robert W. Galvin

Taken altogether, this will represent a good, solid year, but no record and no sensation of boom. Competition will be exceptionally keen, but more on a quality-value basis than on a price basis. The consumer has exhibited a tenacious interest in upgrading his tastes in 1958. We expect this to continue in 1959 to the extent that novelty merchandise will go begging, while sound design and engineering will prosper.

Significant developments in the field of consumer products electronics likely to appear in 1959 include binaural tape for stereo equipment, and the adoption of

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With Weil, Roth, Irving

(Special to The Financial Chronicle)

CINCINNATI, Ohio—Stanley A. Hooker, Jr. is now affiliated with The Weil, Roth & Irving Co., Dixie Terminal Building, members of the Cincinnati Stock Exchange.

Citizens Secs. Adds

(Special to The Financial Chronicle)

GREEN BAY, Wis. — John C. Brogan has joined the staff of Citizens Securities Co., 224 Cherry Street, members of the Midwest Stock Exchange.

Kenneth Goodman Joins Wayne Hummer Co.

(Special to The Financial Chronicle)

SHEBOYGAN, Wis. — Kenneth E. Goodman has become associated with Wayne Hummer & Co., National Security Building. Mr. Goodman was formerly head of Kenneth E. Goodman & Co. and prior thereto was President of Heronymus & Co.

John E. Coleman Opens

CHICAGO, Ill.—John E. Coleman, Inc. has been formed with offices at 110 North Franklin Street to engage in a securities business. Officers are John E. Coleman, President and Treasurer; Walter E. Cahill, Secretary; and Wallace Sollo, Vice-President.

With White & Co.

(Special to The Financial Chronicle)

BLOOMINGTON, Ill. — Robert L. Pare is now with White & Co., 216 West Washington Street.

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standards for stereophonic radio. Ultimately stereo may become as large a factor as television is today.

In other categories of electronic products the two-way radio communications and microwave relay systems segment of the industry is expected to advance 10% or more. Transistor and other semiconductor devices will increase in a major way the new applications to consumer oriented products. Military electronics will remain in the same order of significance.

For Motorola specifically, the consumer products activity has shown continuous improvement in the last six months. The division is budgeted for a 26% increase in dollar volume in 1959. In two-way communications, a minimum 10% increase is expected. Semiconductor volume will be up more than 100%. Car radio will improve substantially. Military electronics will remain essentially the same percentage of the company's total business. Altogether, Motorola is targeted for a sales increase of more than 10% in 1959.

EARL A. GARBER

President and General Manager, Harbison-Walker Refractories Company

The outlook for refractories in the year ahead is for considerable improvement over 1958. However, it is not expected that the former record level of shipments of 1957 will be reached. This is due largely to the rather modest capital expenditure programs of major customer industries and to their own outlook of production at less than record levels. At present, the refractories industry and Harbison-Walker Refractories Co. have made a strong recovery from the earlier low points and are well along on the way of repeating their growth patterns. Also, manufacturing, service and distribution facilities have been extensively modernized and expanded in the past decade.

Earl A. Garber

The recovery of the steel industry from the late recession has been widely publicized. Other important users of refractories include the producers of the growing non-ferrous metals, such as aluminum and nickel. Also, widely diversified industries such as petroleum refining, cement, glass and chemicals use ever growing amounts of refractory products. Being essential in the operations of its consuming industries, which in turn are fundamental to our economy, the future of refractories is assured. This is true not only for the year ahead but also for the longer term, a period that should see great population and economic growth.

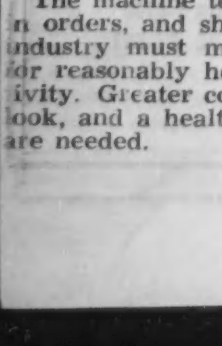
Both refractories and the major consuming industries find themselves deeply involved in technologic change and improvement. For example, the steel making process in just the past year has been a significant expansion in the use of the all basic open hearth furnace. In conjunction with the use of oxygen, higher operating temperatures are now attainable. This results both in an increased production rate with existing facilities and in better steel. The refractory which makes this development possible is basic brick, a product of higher refractoriness than the conventional furnace lining materials. In anticipation of gradually expanding use, Harbison-Walker has recently made major additions to its basic production facilities. The Harbison-Walker operations are now diversified geographically and of adequate capacity to serve the foreseeable future.

Research is expanding its role and making an ever increasing contribution. The new Harbison-Walker research center has just recently been put into operation. A constant search for new and improved products is being made to meet the ever increasing demands of the nation's industrial furnaces for materials of greater refractoriness and other improved properties.

FREDERICK V. GEIER

Chairman of the Board, The Cincinnati Milling Machine Co.

The machine tool industry serves primarily the metal-working industries. A number of these industries have recovered substantially from their 1958 recession low levels, but not as yet to the degree that encourages them to expand or further modernize plants. In fact, the "American Machinist" 1958 Survey of Machine Tools, shows a higher proportion of the machines in use rated obsolescent than in many years.



Frederick V. Geier

During 1958, the capital expenditures of industry were held to a low level. Some customer firms were active in installing new cost-saving methods and machines, but a large proportion of the machine tool quotations made in 1958 were set aside by customers for later action.

As a result, orders for machine tools generally held within a narrow monthly range throughout the year, around one-third of the industry's normal capacity.

The machine tool industry booked about $270 million in orders, and shipped about $400 million in 1958. The industry must more than double its 1958 order level for reasonably healthy production and engineering activity. Greater confidence in the long-run business outlook, and a healthy resumption in capital expenditures are needed.

Meanwhile, obsolescence of equipment in use is growing month by month. If the United States is to hold its place in the race for technical and industrial progress, in maintaining a high standard of living, and in its own defense, the problem of equipment obsolescence will have to be met. The new machine tools now available will show production gains and cost-savings averaging 40% over the older types generally in use. Replacement of obsolete equipment offers industry one of the world's most profitable investment opportunities.

R. S. GERSTELL

President, Alpha Portland Cement Company

Perhaps it is proper that I set forth my views on the cement industry for 1959. I have been employed by the Alpha Portland Cement Company for better than 40 years and my thinking, therefore, may carry a bit more weight than would overwise be true.

As everyone knows cement is tied closely to construction. Happily the outlook for new construction next year is good. It is jointly estimated by the U. S. Commerce and Labor Departments that the volume will exceed 1958 by slightly more than 7%. Both public and private housing should remain about the same as for last year when some 1,160,000 units were begun. Mortgage difficulties and tighter money may tend to somewhat lessen volume.

The cement industry depends for a very considerable proportion of its volume on concrete roads. The U. S. Bureau of Public Roads estimates that capital expenditures this year will amount to $7.1 billion. This, it is estimated, will require 78.3 million barrels of cement—25% of the expected consumption. As construction goes so goes cement.

Admittedly, we are today overcapacitated — slightly better than 400,000,000 barrels can be currently produced. Last year's shipments should exceed the 300,000,000 barrel mark. The seller's market of the past is now a buyer's market. Supply greatly exceeding demand. This, of course, tends to bring about increased competition making it necessary to market our product at destinations and freight absorptions not normally considered justifiable. Today's highly competitive market has a depressing effect on the price structure.

Our company recently departed from our so-called Quarterly Price Plan which has been in existence for many past years. Under that method of selling prices could be upward revised only at the beginning of a calendar quarter. Today we are naming a firm price for our product throughout all of 1959. This substantial departure from the past has been brought about by severe competitive forces and will undoubtedly affect profits, particularly if labor continues its aggressive attitude. Would it be asking too much to have stabilized wages for all of next year? As stated above, we have already established a firm price for our product. Could this be brought about, everybody would benefit. Unfortunately wage demands will probably not be geared directly to productivity. The wage-price spiral continues to plague all American industry, not alone cement. Would that an enlightened understanding be entered into by both management and labor, and a recognition of the utter futility of yearly wresting from the public both higher prices and higher wages. This policy hangs as a heavy cloud over an otherwise bright outlook. Unfortunately manufacturing costs will increase. They cannot be offset by higher prices. The price of Alpha cement f.o.b. our plants during next year will remain constant.

Fortunately the per capita consumption continues to increase and last year should approximate 1.8 barrels. The population increases by leaps and bounds. It has been conservatively estimated that there will be 250,000,000 people in the United States by 1975 as compared with 175,000,000 people today. To satisfy this anticipated growth, an additional 135,000,000 barrels of cement will be required by then in order to meet the demand—assuming, of course, a constant per capita consumption. We like to consider ourselves as a growth industry. Almost daily new applications are discovered for our product. The use of tilt up construction, precast and prestressed concrete should continue to increase over the coming years. Only a few short years ago these terms were not found in the builder's vocabulary. Structural concrete has proven itself a versatile and ultra modern construction material. New techniques using our product are constantly being developed.

Unfortunately there still remains to be resolved the Percentage Depletion problem. A number of our competitors have already secured substantial refunds from the government on account of this item. We unfortunately have been compelled to institute suit in the Federal Courts for the collection of what, we believe, is justly due us. Should Congress vote legislative changes reducing this item it could seriously restrict cement company earnings.

Summing it up, therefore, it is our belief that our industry after all is said and done should enjoy during the year just begun somewhere in the neighborhood of a 5% increase in sales. Unfortunately it does not appear at the moment that profits will keep step. This could be altered should the volume be substantially larger than presently seems probable.

LORING L. GELBACH

Chairman and President, Central National Bank, Cleveland, Ohio

The outlook for business in 1959 is bright, with new high levels expected in Gross National Product, personal incomes, retail sales, employment, and the volume of goods produced. The realization of these expectations will also make it a good year for the nation's banks, with fine prospects for maintaining a high level of earnings.

Loring L. Gelbach

The recovery in business that has taken place since last April is sound and well-balanced with all major segments of the economy moving upward. It is anticipated that the recovery will continue into 1959 but at a more moderate rate.

A powerful stimulus to the recovery has been the decline in the rate of inventory liquidation. A reversal in inventory policy from liquidation in 1958 to accumulation in 1959 is one of the basic forces in the outlook for higher levels of business activity in the 12 months ahead.

Expenditures for housing will be up only moderately over 1958 and should add balance to the broad economic advance of the new year.

Consumer buying is expected to be the dominant force in pushing the economy to higher levels. There is reason to believe that the increase in consumer spending for goods and services will become increasingly more important and business spending less important in the growth of the economy this year. The effect of increasing personal incomes during this period of relatively stable prices paves the way for sharply rising sales of both durable and non-durable goods. A 20% to 30% rise in automobile sales is frequently mentioned in the industry.

Increases in government spending both on a state and national level will add further impetus to the expanding economy.

It appears unlikely that there will be a liberalization of credit terms such as that which occurred in 1955. This should act as a restraining factor and help keep the rising economy on a sound and sustaining basis.

Recent surveys indicate that capital expenditures for plant and equipment will not rise appreciably in 1959 since capacity generally is ample. This factor in itself should act as a strong deterrent to a rapid rise in business during the next 12 months.

Prices are likely to remain stable during the first half of the year, but thereafter as the economy moves closer to capacity operation, the threat of inflation will reappear. Our chief concern should be to find ways and means of preventing inflation from nullifying a portion of our economic gains.

The Federal Reserve policy of moderate credit restraint is a constructive force throughout this period of large deficit financing by the Federal Treasury. To the extent that the Federal Reserve encourages financing of the Federal deficit outside the commercial banking system, the effects will be non-inflationary.

In a soft currency nation such as we now are regarded abroad, it is imperative that sound credit policies be followed in the management of the public debt. The Federal Reserve and the Treasury are to be commended for the manner in which the Federal deficit has been funded to date.

Thus, far the recovery in Cleveland business conditions has lagged behind the national improvement. The anticipated rise in consumer sales — and particularly durable goods — should be especially beneficial to Greater Cleveland and cause the rate of growth of local business in 1959 to exceed that of the nation as a whole.

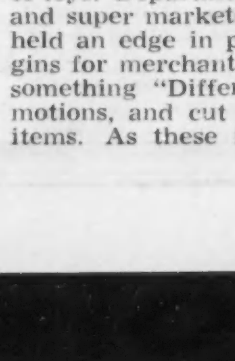
I look for business to rise mildly in 1959. If this prediction materializes, there will be more reason for expecting a continuing sound expansion as we enter the '60's.

A. C. GILBERT, JR.

President, The A. C. Gilbert Company

Predictions for 1959 must, in part, be predicated upon events occurring in 1958.

The toy industry, like the rest of the economy, suffered from the recession in the early part of this year. Recovery was slow and spotty by mid-year, but spurted toward the end of the year, ending strong.



A. C. Gilbert, Jr.

Having failed to gauge the rapidity of recovery, merchants did not order enough goods for the full Christmas trade in 1958. The result will be fewer carryovers, smaller clearance sales in January, and fewer genuine price bargains then.

Also, government spending continues at a high rate. This will bolster the entire economy for the next two years, at least, and will help steam up business and help our economy to continue going well in 1959 and 1960. The area to watch, I believe, will be the foreign imports of toys. Department stores, 5-&-10 stores, specialty shops and super markets were delighted to get imports which held an edge in price and produced higher profit margins for merchants. These imports, with their appeal of something "Different" lent themselves to special promotions, and cut into the sale of comparable domestic items. As these imports improve in quality and con-

tinue to hold an edge on price, they will more seriously affect the American toy industry in the years to come.

As I see it, the toy industry in 1959 will be confronted with three crucial problems: the continuing profit squeeze; rising costs; and the need for bigger and better sales and marketing forces and merchandising techniques. A recent statistical survey of the toy industry showed that for 1956 average net profits after tax were 3.2% of sales and only 2.5% in 1957. I'm sure, with manufacturers' sales down 4-5% in 1958 that this profit ratio will be even lower.

Business for the toy merchant will show a marked improvement over 1958, though I must hasten to add I do not expect an all-out boom to occur.

My feeling is that business will stabilize at, or slightly above current levels. 1959 should really be a year of gathering momentum—a year of transition to the 1960s when barring war, genuine boom years may develop.

If I were to hazard an estimate of sales gains for 1959 in the toy industry, I would anticipate an average 10 to 13% increase for the retailer, with substantially improved profit margins—with increases ranging from 1 to 5% generally. In the science categories, this increase may jump as high as 50, 70 and 100% in a few cases.

The real gains of 1959, I believe, are more likely to develop as a result of the measures it was necessary to take during the downsweep in the first part of 1958, and the lessons learned therefrom—such as the adoption of cost-cutting, increased efficiency, modernization and tighter scheduling and inventory control. Much of the gain in 1959 should result from new product development and similar programs started in '58, as these begin to pay off.

All in all, the toy industry should enjoy a good year in 1959; a better year in 1960.

W. D. GILLEN

President, The Bell Telephone Co. of Pennsylvania

Our companies are basing their planning for 1959 on the expectation that the business recovery, which began in the latter half of 1958, will steadily continue.

The recovery in Pennsylvania and Delaware, the states served by our two companies, will be sustained, it is believed, by employment gains accompanying expanded industrial activity, population growth, an increase in family formation and the urge of the public to up-grade its purchases.


W. D. Gillen

While it is doubtful that the rate of growth in our business will set any new records during the year, nevertheless, we look for a strong demand from the public for communications services, particularly, from business and industrial customers. These customers are becoming increasingly aware of the economic advantages to be gained from complete and modern communications as exemplified by the new products and services which scientific research by the Bell System is enabling us to bring them.

In the telephone business, planning and plant placement must anticipate public demand by a considerable interval. So, despite the fact that our rate of growth showed some decline in 1958, we proceeded with a plant expansion and betterment program, costing more than a hundred million dollars, confident that a resurgence in business generally would be reflected in our growth at a date not too far distant.

This year our planned construction expenditures again will exceed a hundred million dollars, marking the fourth consecutive year that such expenditures have been of this magnitude. Construction on this scale is necessary if the public is to be adequately served but additionally it helps keep employment high and is a stimulus to the general economy of the territory we serve.

As a result, we are well prepared to care for public demand and are in a position to aggressively merchandise our services. Intensive merchandising in our opinion is a duty a telephone company owes to all its customers since the better or more complete telephone service any customer has, the more satisfying it is for all customers having telephone contact with him.

Planning and plant placement in the telephone business must not only anticipate the place and timing of customer demand, it must also be for the long run. Any other procedure is more costly and hence ultimately more expensive to the user of the service. However, economical provision for the future requires adequate earnings in the present and this is a matter of pressing concern to the telephone industry.

The industry has not been insulated against inflation. Plant placement and replacement costs continue to rise and the public should recognize this by granting reasonable pricing relief so that an industry so essential to the public and so critical in the plans for national defense may be preserved in a sound condition.

CHARLES W. GLEASON

Chairman, Group Five Savings Banks Association
President, The Green Point Savings Bank, Brooklyn, N. Y.

Savings banks, through the years, have invested the largest percentage of their depositors' funds in mortgages. The growth of such savings makes additional funds available for mortgage lending and directly affects the building industry and the business of its many suppliers. Therefore, it is obvious that savings banks have contributed in a far-reaching manner to the health of our national economy.


Charles W. Gleason

During the year, Dec. 1, 1957-Nov. 30, 1958, deposits in the savings banks of New York State increased by $1.456 billion to an all-time high of $19.778 billion—a growth of 7.9%. Over the same period the investments of these banks in mortgage loans increased to a total of $14,765,181,000, divided as follows:

VA loans	$6,037,524,000
FHA loans	3,772,410,000
Conventional loans	4,955,247,000

Of all mortgage loans on properties in New York State, savings banks hold 52.8%, a total in excess of that held by all other sources combined.

Savings, it is anticipated, will increase during 1959, and while not as much as could be desired for the needs of a growing and dynamic economy, nevertheless, sufficient to provide for an expanding construction program. As of Nov. 30, 1958 mortgage commitments made by the savings banks of New York State on new construction totaled $1,245.6 million and on existing construction $438.0 million. The huge mortgage lending of savings banks in the year just ended was one of the basic factors contributing to the rapid recovery from the recent recession, and the figures herein given in respect to outstanding commitments constitute a favorable omen for the current year.

Support for such optimism is to be found in forecasts of the U. S. Department of Labor and the U. S. Department of Commerce. These informed sources anticipate an eleven per cent increase in expenditures for new residential construction (from $18.5 Billions to $20.6 Billions) during 1959. This represents two-fifths of the total to be spent on new construction of all types during the same period. This expected high dollar volume reflects in part the large number of units started late in 1958. These sources also report that the apartment building boom of the past two years appears to be declining and likely to shrink further in 1959. Also predicted are less favorable mortgage terms and an increase late in the year of higher priced single family houses.

In the Long Island area of New York State, consisting of the four counties of Kings, Queens, Nassau, and Suffolk, the resurgence of activity in the sales of both newly constructed and older homes has been notable. In the twelve months ended November 30th, 1958 the twenty-two Savings Banks of Brooklyn and Long Island City, comprising the Group Five Savings Banks Association of New York State, experienced a deposit increase of $379.4 Millions, the major portion of which was invested in mortgage loans. Holding greater significance for 1959 is the fact that as of November 30th, 1958 these same banks had outstanding mortgage commitments in the total amount of $425.7 Millions on 18,669 buildings of new construction and $182.7 Millions on 9,112 existing buildings.

Brooklyn has had a phenomenal reversal in building trend. Large one and two family housing developments have been built, new apartment houses have replaced outmoded dwellings in good areas, and large areas have been rehabilitated through the erection of both private and public housing.

Nassau County and the western end of Suffolk County show indications of a revived interest in home building in these areas.

If the ability and desire on the part of Savings Banks of Brooklyn and Long Island City to finance the continuing construction of private homes, apartments, religious institutions, hospitals, community centers and shopping areas is any criterion of the national economy then 1959 should be another good year.

ALFRED S. GLOSSBRENNER

President, The Youngstown Sheet and Tube Co.

Our 1959 business outlook is one of continuing recovery from the lows reached last summer. This recovery is expected to carry total business activity to new record levels as measured by industrial production and the output of total goods and services, with the high in industrial activity being attained some time during the first six months of 1959.


A. S. Glossbrenner

This optimism is not meant to envision an unbridled resurgence in business, because there are major restraining forces. Business spending for new plant and equipment is no longer in decline and will undoubtedly improve in 1959 along with corporate revenues and profits. However, capital spending is not expected to regain significant strength next year. There exists a generous industrial capacity to be absorbed, and in the near term, at least, this will tend to retard rebuilding manufacturers' inventories to former levels. Nevertheless, the change from liquidation to accumulation of inventories has begun and its influence on 1959 business will be positive.

This year's steel labor negotiations places an ominous and still unassessable impost on uninterrupted economic recovery. Excluding a major steel strike, particularly at a time when steel inventories in the hands of steel consumers are apt to be at a comparatively modest level, we foresee no turnabout in the business recovery already experienced.

We look for rising personal incomes and increased spending for durable goods in 1959. Consumer durables suffered disproportionately in the 1958 set back. Bigger pocketbooks with increasing consumer confidence, expanded liquid savings and a decline in total outstanding consumer credit, particularly auto paper, are favorable factors in 1959.

Auto sales are due for substantial improvement and construction seems sure to repeat another record year with home building and public construction, especially highways, leading the way.

Federal Government spending will probably continue upward next year despite the Administration's effort to avert another deficit in 1960.

With spending activity in these important economic segments pointing upward, we, too, look for considerable improvement over 1958 steel industry ingot pro-

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Two With Loewi

(Special to THE FINANCIAL CHRONICLE)

MILWAUKEE, Wis. — Thomas Kaufman and William L. Stotzer have become connected with Loewi & Co. Inc., 225 East Mason Street, members of the New York and Midwest Stock Exchanges.

Rejoins Francoeur Co.

(Special to THE FINANCIAL CHRONICLE)

SHEBOYGAN, Wis. — Otto F. Kaufman, Jr. has rejoined Francoeur & Co. of Chicago. Mr. Kaufman has recently been with Kenneth E. Goodman & Co. and Heronymus & Co.

Joins Hilsman Staff

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga. — William P. Roberts is now affiliated with J. H. Hilsman & Co., Inc., Citizens & Southern Building, members of the Philadelphia-Baltimore Stock Exchange. He was previously with Merrill Lynch, Pierce, Fenner & Smith.

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duction, a disappointing 85 million tons. An annual forecast of 108 million tons of ingots with first half production exceeding the final six months by 6-7 million tons is believed to realistically reflect our optimism for the steel industry in 1959.

PAUL W. GOODRICH

President, Chicago Title and Trust Co., Chicago, Ill.

Real estate activity in the Chicago area reflects the dynamic growth forces inhrent in its geographic location and the skills of its population. Despite the recession of 1958, there has been no relaxing in the longer-range plans of business and civic leaders for greater public and private improvements. The northern Illinois and Cook County expressways now provide this area with one of the finest road systems in the country, and a new airport meets the exacting requirements of the jet age in air transportation. Chicago is also fast becoming an international port of call for water carriers. Added to these accomplishments, is the realization in the near future of a magnificent lake front exhibition and convention hall.


Paul W. Goodrich

These new facilities, coupled with an expanding population and higher personal incomes, should contribute to a higher level of real estate activity and building. New residential construction and real estate sales have improved from their slump of early 1958 and the outlook is favorable for the coming year.

An important part of the Chicago picture is the renewed interest in developing and improving residential facilities within the corporate limits of the city. Not only is expansion proceeding in outlying areas, but there is a growing appreciation for potentials in new housing closer to the center of the city. Private builders and cooperative planning associations are working to raise housing standards in former blighted districts.

Real estate and building are sensitive to mortgage money rates and it is possible that a general pattern of higher interest rates will serve to dampen building before the end of 1959. Nevertheless, it seems likely that nationwide housing starts in 1959 will exceed one million units.

The outlook for 1959 generally is good for the real estate and construction industries, and the Chicago area will participate proportionately in the national trend.

J. PETER GRACE

President, W. R. Grace & Co.

With the nation's economy on the upgrade again, American businessmen can look forward to 1959 in a mood of confidence. From all indications the coming year should be one of continued increase in business recovery at a substantial rate with, of course, varying rates of progress among different industries.


J. Peter Grace

By the end of 1959 it is expected that the United States economy will have regained the level lost in 1958 and obtain the approximate level of its long range growth pattern. I share the feeling of other businessmen that the U. S. economy will continue at a normal rate of growth over the next several years.

Along with the economic recovery of the United States, the Latin American countries which are so heavily dependent upon the United States for their trade and economic welfare, will also make favorable progress in 1959. During the past year they experienced one of the most serious economic setbacks in recent history. Some of them are now just beginning to pull out of the difficulties which resulted primarily from the sharp drops in metal and coffee prices. In the case of the metal-exporting countries, the pace of their recovery is being assisted by the upturn in metal prices. As for the coffee producing countries, a serious problem of overproduction exists. Some of the countries are taking steps to alleviate this problem by restricting imports and encouraging exports of other commodities.

Meantime, many of the Latin American countries find themselves confronted with extremely difficult financial problems. The most pressing is the depreciation of local currencies, which during the past year has been at the sharpest rates of recent times in Latin America. The rates of depreciation among the countries affected ran from 33% to 103%. To cite several examples, during the first 11 months of 1958 the currency of Colombia depreciated in relation to the dollar by 33%, Peru 36%, Bolivia 38%, Chile 43%, Brazil 58% and Argentina 103%.

These countries are seeking to stem any further currency depreciation and their efforts are being encouraged and assisted by the U. S. For instance, very recently Argentina received loans and financial assistance totalling $329 million mostly from the United States to help resolve her financial crisis. Simultaneously Argentina freed her currency, ended import restrictions and launched an austerity program. The drastic currency depreciations in Latin America have been a heavy blow to American manufacturing investments in Latin America which are confronted with the problem of maintaining the true value of their capital and remitting profits in dollars. With the energetic efforts now being exerted, we anticipate that these currencies will become more stable during 1959. This issue will be high on the agenda for positive action in the coming year.

The Latin American countries, despite their present troubles, are determined to continue their economic development at the highest possible levels through diversification to diminish the ill effects of a one or two crop economy.

It is my personal opinion that nothing can stop them in their drive for greater economic development. Despite all obstacles their record in the 104 years in which we have been operating in Latin America is one of growth and development. Their rate of development in the period immediately following World War II has been extraordinary and it was not to be unexpected that some ground would be lost as was the case during the past year and a half. However, companies which will invest and work in Latin America for the long pull will, I am sure, win long range gains and profits in the future just as they have in the past.

R. L. GRAY

President, Armco Steel Corporation

America's steel industry will make and sell considerably more steel in 1959 than in the recession year just past.

There are many bright spots in our economy. Perhaps we will not reach the peaks set in 1955, 1956, and 1957, but the outlook is good.


R. L. Gray

The new automobiles have caught the public fancy, and sales of household appliances are also moving upward. Farmers are continuing to buy new machinery and equipment.

The railroads are beginning to place orders again. Sales of industrial machinery should be up next year, and defense spending will continue at its present high level.

Construction, especially on the new road program, is moving at a fast pace. Recent action by the U. S. Supreme Court will spur the building of new pipelines, big users of steel. All in all, we expect the steel industry to turn out about 108 million tons of ingots next year, 25% above the 85 million tons produced in 1958. And the momentum of our present comeback could possibly carry the demand for steel even higher.

The sky is not completely rosy, however. There are some clouds which we cannot ignore.

One is the importation of foreign steel. For example, in several sections of our country, foreign steel products are now being sold at prices far below those American producers can match.

We cannot make steel as cheaply as foreign countries, of course, because the wages of foreign steel workers are much lower than ours.

American steel workers are among the highest paid industrial workers in the world. And we sincerely want them to have the highest wage scales the industry can afford. We want them to be able to provide their families with the homes, automobiles, appliances, vacations, education, and other benefits that are part of our standard of living.

In recent years, however, wages and salaries have been rising much faster than the output-per-man-hour in our industry. This means that it is getting harder and harder for us to compete with foreign steelmakers.

More new equipment would help raise output-per-man-hour in line with wage increases. But our present tax laws do not permit us to retain enough money to replace worn out equipment. We must use profits to help replace old facilities and our profits have not been high enough to let us set aside all the money that is needed.

As a result, the jobs of some of our employees have already been lost to steel workers overseas.

In 1957 for example, the United States exported some 6 million tons of steel products and imported nearly 2 million. Exports and imports are now about in balance at the rate of about 2 million tons annually. Should this trend continue, the 1957 three-to-one export-import ratio could conceivably be reversed, so that by 1960 we would be exporting 2 million tons and importing 6 million tons. This would mean that steel workers in the United States would make 8 million fewer tons.

To state this another way, 80,000 American steel workers could lose their jobs to foreign competition in 1960 and payrolls in the steel industry could go down as much as $500 million in that year.

This is a sobering outlook, to say the least.

Our country needs two-way world trade to survive, and at Armco we do not believe that it would be wise to keep foreign steel out of the U. S. by use of high tariffs. There is only one sound way to compete.

That is by reducing our costs of production.

The time has come for labor leaders and management to join in working to preserve the jobs of American steel workers from destruction by foreign competition. The task will take the combined ingenuity of all of us.

We want to export steel, not jobs.

CRAWFORD H. GREENEWALT

President, E. I. du Pont de Nemours & Company

The marked upturn in business activity which took place in 1958, particularly in the fourth quarter, substantiates the confidence which had been expressed generally in the basic strength of the nation's free economy. Confidence is one of the principal ingredients of a healthy economic climate, and it is heartening to note that it has not been misplaced.


C. H. Greenewalt

To the extent that the chemical industry can be termed representative, the pace of recovery has been rapid. Our sales in the fourth quarter are, by a narrow margin, at the highest rate in our history. With our sales price index now at the lowest level since early in 1950, the current high rate of sales represents a new record in physical volume as well as in dollars.

Improved conditions in the second half of 1958 followed a period when, relatively speaking, conditions were well under par. For

Retires from Partnership

PORTLAND, Maine—Harold C. Payson has retired as a partner in H. M. Payson & Co., 93 Exchange Street, after 50 years of association with the firm.

American Mutual Funds

MIAMI BEACH, Fla.—American Mutual Funds Service, Inc. has been formed with offices at 420 Lincoln Road to engage in a securities business. Officers are Gerald M. Menaker, President; Louis V. Vernell, Vice-President; and Stamford Pierce, Secretary-Treasurer.

Joins East Wisc. Trustee

(Special to THE FINANCIAL CHRONICLE)

MANITOWOC, Wis.—Edward J. Mau has joined the staff of East Wisconsin Trustee Co., 935 South Eighth Street. He was formerly local representative for The Marshall Co. and prior thereto was with First Securities Co.

the year as a whole, our business will show sales, we believe, within some 7% of 1957, which marked the highest annual sales in our history. It is expected that the momentum should carry over into 1959.

In earnings, our experience parallels that of corporations generally, falling substantially below the 1957 level. In periods of declining sales, profits are, as the U. S. Department of Commerce has pointed out, "much harder hit than other types of income." In our own case, lower earnings are traceable to a decline in sales without a corresponding reduction in fixed expense, and to increases in employment costs.

Expenditures for the account of new plant and plant facilities in 1958 reached a record total of $232,000,000, some 5% above the previous high level of 1957. Construction expenditures in 1959, however, are expected to be about 10% less.

The custom of gauging the state of business activity in accordance with the unyielding requirements of the calendar always seems to me to impose a severe limitation on correct appraisal of conditions. In the business area, the most important factor is not the economic behavior over a period of months or quarters, but over years or decades. On this basis, it can be shown that our progress over the long term has been excellent and, if we can avoid war or other disruptions, it should continue to be satisfactory.

The Du Pont Company, with its long history, has survived every conceivable variation of economic climate. As a whole, the health and strength of the corporate body has been excellent. If its temperature had been taken on any given day or in any given period, however, the result might have been good or bad, promising or indifferent.

In the long term, on the other hand, any given decade or given quarter-century of the company's history reveals, upon examination, conditions much like any other similar period. The differences are largely those of degree. No period has been without its problems, its difficulties and its discouragements, yet none has been without the strength and determination to find adequate solutions. I would think that much the same thing can be said for any institution which has endured for any substantial period. So long as this continues, its future and that of the country as a whole can be faced with confidence.

PAT M. GREENWOOD

President, Great Southern Life Insurance Company

Nineteen fifty-eight, in my opinion, has followed rather closely the pattern that most economists predicted at the beginning of the year, that is, a continued drop in business through the first half with conditions improving during the latter six months of the year. The result has been that most industries and most businesses have experienced satisfactory results with a minimum number of companies suffering devastating losses.

Pat M. Greenwood

The life insurance industry has moved forward in most respects, our volume of sales has increased, lapses have been within reason, mortality has not been unduly excessive, and interest earnings on investments have been satisfactory in most categories and in most geographical areas.

There have been new trends developed in the marketing of insurance, including the extension of coverage and the attendant new sales methods. There has been considerable expansion of multiple line and multiple company theory wherein life companies and fire and casualty companies are united as companion companies, offering all lines of insurance from one group of companies with related management.

The economic outlook is such that it appears the present business momentum will carry well into 1959, carrying with it a reasonable prosperity for all lines of industry.

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Savings Bankers Predict Non-Boom Expansion

Representing 519 mutual savings banks from New York, New Jersey, Pennsylvania, Maryland, and New England, savings bankers collectively agree 1959 will show continued expansion without, unfortunately, any encouragement from plant-equipment capital outlays.

Continued economic expansion in 1959, but less vigorous than in recent months, was predicted by savings bankers at the December quarterly economic conference, sponsored by the National Association of Mutual Savings Banks.

The conference, held in New York City, was attended by 21 savings bankers, representing the several geographical areas in which the nation's 519 mutual savings banks are located, including New England, New York, New Jersey, Pennsylvania and Maryland.

Gross National Product in the fourth quarter of 1958, the conference reported, will probably reach a record high of $450 billion. A note of disappointment amidst the general economic optimism, the conference pointed out, was the downward revision of about $1 billion in third and fourth quarter estimates for plant and equipment expenditures. For the full year 1958, business outlays are expected to be 17% below the record $37 billion of outlays in 1957.

The statement noted that increases in production have been general in all industries. Increases in output from the nation's factories and mines accelerated in November to 141% of the 1947-1949 average. The upturn in housing activity will probably result in total starts for the year of about 1.2 million, which compares with a little over one million for 1957 and the record high of 1.4 million in 1950.

The third favorable factor in the economy has been the peak level reached by personal income, making possible both high levels of spending and an increase in the annual rate of savings from 6.2% in the first half of 1958 to 7.2% of disposable income in the latter portion of the year.

Pleased by Higher Deposits

The conference further reported that through both the recession and recovery phases of 1958, the net increase in regular deposits in mutual savings banks was markedly higher than in preceding years. It was estimated that for the year the net increase in total deposits will reach the record high of $2.5 billion. This trend toward increased savings is likely to continue into 1959, the conferees agreed, particularly if "inflationary fears do not become so widespread as to result in accelerated efforts at hedging." A record farm crop, rapid increases in productivity, excess plant capacity, and increasing foreign competition are some of the important anti-inflationary forces currently at work in the economy.

In their investments, savings banks are "likely to continue to look with favor upon mortgage loans." Commitments are about double those of a year ago, the conference reported, so that a continued large flow of mortgage funds seems certain for the next several months.

Mutual savings banks are watching closely the market for Government securities, and if the Treasury decides to compete on the basis of rate and terms with other capital market borrowers, savings banks may become net purchasers of Government for the first time since 1947.

Slightly higher average earnings for savings banks in 1959 was predicted at the conference. If earnings are, indeed, higher, the conferees agreed, savings banks will be able to continue their traditional policy of maintaining substantial reserves for the safety of their depositors.

The quarterly economic conferences for savings banks are organized by the National Association of Mutual Savings Banks to provide the industry with current economic information on which progressive savings bank policy can be based and to contribute to a wider understanding of the forces shaping economic growth.

With J. A. Hogle Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif—Walter MacIndoe has become affiliated with J. A. Hogle & Co., 507 West Sixth Street. He was formerly with Dempsey-Tegeler & Co.

Mitchum, Jones Adds

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Brice Toole, Jr. has been added to the staff of Mitchum, Jones & Templeton, 650 South Spring Street. He was fomerly with Hemphill, Noyes & Co.

Joins State Bond & Mtg.

(Special to THE FINANCIAL CHRONICLE)

NEW ULM, Minn.—Richard C. Larson has been added to the staff of State Bond & Mortgage Co., 28 North Minnesota Street.

J. A. Hogle Adds

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Earl R. Young is with J. A. Hogle & Co., 507 West Sixth Street.

Lile Adds Three

(Special to THE FINANCIAL CHRONICLE)

PASADENA, Calif.—Donald W. Eaker, Oliver F. Garner and Jean E. Schultz have joined the staff of Lile & Co., 1001 East Green St.

Two With Columbine

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—William E. G. Gollan and Robert H. Lundberg have joined the staff of Columbine Securities Corp., 621 Seventeenth Street.

Two With Investment Serv.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — Mrs. Evelyn M. Bakke, and Philip N. Stewart have become associated with Investment Service Co., 916 Broadway. Mr. Bakke was formerly with Birkenmayer & Co. Mr. Stewart was with Carroll & Co.

Now With H. W. Peters

(Special to THE FINANCIAL CHRONICLE)

GRAND JUNCTION, Colo. — Mrs. Margaret K. Jones has become associated with Harry W. Peters, 610 Rood Avenue. Mrs. Jones was formerly local manager for Guss & Stead Co.

With Chicago Mutual

(Special to THE FINANCIAL CHRONICLE)

CHICAGO, Ill. — Leonard M. Stenson has become associated with Chicago Mutual Investment Co., 8157 Cottage Grove Avenue. He was formerly with Shillinglaw, Bolger & Co.

With Burns Bros. & Denton

Colton W. Gilbert is now associated with Burns Bros. & Denton, Inc., 37 Wall Street, New York City, underwriters, distributors and dealers in investment securities.

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COURTLANDT S. GROSS

President, Lockheed Aircraft Corporation

All of us in America today are keenly aware of the phenomenal speed with which scientific developments are materializing in many fields. They are bringing significant changes to the world we live in. Indeed, they have become the hallmark of our age.

Courtlandt S. Gross

Probably nowhere have these advances been more rapid and far-reaching than in the nation's air-space industry, of which our company is a member.

Beyond the obvious conclusion that 1959 will be a year of continuing and accelerating progress in the realm of flight, to attempt an accurate forecast of what lies ahead for our industry is somewhat risky.

Our national concern over defense, spurred by disclosures of undeniable Soviet strides in physics, in chemistry, in rocketry, and in space exploration, is on the increase. Several recent war scares —Lebanon, Quemoy, Berlin—are pointing up this concern and calling to our attention the need to prepare for limited as well as the possibility of all-out war.

It seems to me that foremost among discernible trends in the national defense effort is the probability that there will be fewer, but immensely bigger, major defense programs. I believe that the objective of the basic aircraft-missile companies such as Lockheed for the immediate time period ahead must be to assure ourselves of commanding positions in the increasingly complex weapon system field.

Rapid scientific and technological progress is leading our armed forces to even greater reliance on industrial teams to take on major responsibilities in developing more efficient weapon systems to strengthen free world defenses. We simply cannot get this defense job done unless aircraft-missile manufacturers display stronger leadership in putting together and guiding teams of companies both large and small with diversified skills.

In this connection I look for heightened activity in development of sophisticated space programs and intercontinental ballistic missiles. Our industry estimates that, barring unforeseen emergencies, government spending for missiles and military manned air vehicles in 1959 will remain at about the 1958 level. The spending for missiles and satellites will rise. For manned military aircraft the spending will decrease to some degree—and these purchases will be for fewer units from fewer companies.

Yet I must reiterate my conviction, affirmed on previous occasions, that there is not yet a substitute in view for the manned air vehicles to perform a multitude of necessary missions in worldwide commerce and national security. Missiles and satellites, wondrous as they are, cannot do everything. They cannot replace man's brain. We need now, and I believe we always will need, aircraft with men in them as important elements in a transportation industry that has rarely faltered in its forward progress.

We in the aircraft-missile industry anticipate sales in 1959 will continue at high levels—well over $10 billion—bolstered by increasing deliveries of turbine-powered commercial transports and a broadening market for business and utility aircraft. Research and development expenditures will increase—a trend that will affect the industry's earnings rate, since the fees we receive for these contracts have historically been low. Employment, after decreasing in 1958's first half, showed a slight increase in the last six months of the year. We expect it to stabilize at about 760,000 throughout most of 1959. The trend is toward more highly skilled personnel.

Real gains are to be had from this new Age of Space. They are gains to our earthly living. Our big problem, it seems to me, is to realize them—to put them to the service of man rather than to his destruction.

GEORGE GUND

President, The Cleveland Trust Co., Cleveland, Ohio

Most businessmen today are feeling considerably more confident about their prospects than they were a year ago. At that time the nation was about half way through the 1957-58 recession. Manufacturers' new orders were declining and production was being cut back. Now the reverse is true. Recovery got under way last Spring, and since then it has broadened to include virtually all the major industries. One of the last to join the procession was the automobile industry, but recently it has been pushing forward vigorously in anticipation of a very substantial gain in 1959 over the low level of production and sales in 1958.

George Gund

In my judgment the business upswing has acquired enough momentum to carry on from here. I venture to predict that total business volume for the year 1959, as measured by the Gross National Product, will be around 8% above 1958. This opinion is based chiefly on the prospects of a fairly sizable increase in consumer incomes and spending, a further rise in governmental purchases of goods and services, a change from liquidation to accumulation of inventories, and a modest advance in business outlays for plant and equipment.

The durable or "hard" goods industries as a whole suffered the greatest percentage drop during the recession. Conversely they will probably show the biggest rate of gain in 1959. That will benefit the Cleveland area, which is strongly represented in the manufacture of hard goods.

Periods of rising business normally bring an increase in the demand for bank credit. Loans of member banks moved up in 1950 and 1955, following the recession years of 1949 and 1954. The same pattern should be evident in 1959. This would include a rise in commercial loans, mostly for short-term business needs; in real estate loans to finance home ownership and construction generally; and in personal loans for instalment purchases and other purposes.

PAUL M. HAHN

President, The American Tobacco Company

Tobacco has played a major and growing part on the American scene for 346 years. Today, for instance, the market for tobacco products in this country is estimated at 60,000,000 persons.

Paul M. Hahn

With a business of this size, it is easy to predict that competition within the industry will remain keen, that innovations in tobacco products will continue to be numerous. By the same token, it is difficult to foresee any basic change in our long-standing tobacco tradition in so relatively short a span as a single year.

In my opinion, two established trends in tobacco seem likely to continue. First is the increase in cigarette consumption, which again reached a new peak in 1958. Significantly, the current increase does not merely reflect an expanding population; it is a real increase, a per capita increase. It indicates, that, now even more than in past year, the cigarette is part and parcel of the Amercan way of life. And it suggests that cigarette consumption will continue to achieve new highs.

The second trend is more difficult to describe, since it cannot be measured by numbers. This is the constant search on the part of the smoking public for perfection of product. It is this standard to which our organization has dedicated itself even since 1883, when our predecessor company perfected the first cigarette-making machine. A great deal of research—agricultural research, manufacturing research, quality control research—lies behind the everyday cigarette. Over the years this research, plus hard work on the part of farmers, leaf men and manufacturing people alike, have made the American cigarette the world's finest tobacco product.

Most of the milestones in our company's progress have traced to this continued concentration on quality of product—the "It's Toasted" process for Lucky Strike in 1916; the greater length and mildness of the pioneer king-size cigarette, Pall Mall, in 1939; the development of a new high in filtration for Hit Parade Cigarettes; and more recently, the unique tip developed in 1958 for Dual Filter Tareyton, a compound filter employing activated charcoal for proven mildness and a "balanced" smoke.

In the long run, improvements and advances such as these, designed to enhance the pleasure and smoking enjoyment of millions of people, will enable our company and our industry to prosper and grow.

H. FREDERICK HAGEMANN, JR.

President, Rockland-Atlas National Bank of Boston, Mass.

The year 1958 was one of wide fluctuations in interest rates and bond prices, and also in general business conditions. In retrospect, the economy which was accelerating on the downside through April bottomed out in May and has been recovering sharply since. Based on the Federal Reserve Board's Index of Industrial Production, we have recovered over 80% of the decline from the peak of activity in September 1957 of 144. The low on the index this year was 126 and the latest figure for November, 1958, was 141. The trend still seems to be upward as we move into 1959.

H. F. Hagemann, Jr.

In last year's article we said in part, in a strong appeal for a sound national fiscal policy: "Now pressured as we may be by a business decline and intensified competition with the Russians let us not resort to unsound economic procedures. For the Federal Reserve Banks to ease money to the extreme that they did in 1953 and 1954 and for the government to resort to deficit financing would be harmful to the encouragement of savings and capital formation and could start up the whole inflationary spiral again, repeating past errors. For us to resort to unbridled spending, unbalanced budgets, deficit financing and ultimate inflation as a solution to our problems instead of facing up to the facts of life would be playing right into Russian hands. Such a course, if followed, almost inevitably would push us sooner or later into wage and price controls, material and labor allocations and forced savings. We would find ourselves adopting the Russian way of life in order to fight it. We would be helping to prove what some have contended, that when the chips are down a democracy cannot discipline itself in spending and we would be giving evidence of our lack of faith in our own basic American principles."

We now restate this appeal for fiscal integrity with the reminder that monetary inflations are started by governments, fostered by governments, and can be stopped by governments. In a representative form of government such as ours, inflation once started will not be stopped until the voters through their Representatives in the Congress demand that it be stopped.

We as a nation took the easy way out of the 1958 recession, and the evidence that we did so is the large increase in the money supply and the large current Federal deficit. The American Dollar, whether deserved or not, is under suspicion abroad and in some quarters here at home. The burden of proof now rests squarely on us, the American people, to prove to the rest of the world, and to ourselves, "that when the chips are down a democracy such as ours can discipline itself on spending." We have been telling other nations how to put their financial house in order, and now they are watching to see if we can abide by our own rules and take our own medicine.

It is very significant that the people of Western Europe who have tasted the bitter disillusionment of continuing and extreme inflation are moving toward sound, old fashioned, conservative financial principles; while on the other hand, we in the strongest and richest country in the world, still seem to be possessed with the idea that we can get something for nothing, and still seem to believe that we can continue to live beyond our means and by so doing obtain lasting security and a sustained higher standard of living.

In conclusion, 1958 was a year marked by more economic confusion and sharper changes than most, and we begin the year 1959 with many of the perplexing problems still unsolved, but with the economy improving, and with inflation psychologically quite strong. Changes in the business and inflation climate, like changes in the weather, sometimes can be anticipated, but they always have to be met by those engaged in carrying on the nation's business. The principles at issue the stakes are high. This is certainly no time for complacency but a time for realistic thinking and sound action.

F. S. HALES

President, Nickel Plate Road

The year 1958 began in a period of recession and ended in a period of recovery. Leading economists predict that business activity in 1959 will be at a moderately higher level than for the whole of 1958.

We on the Nickel Plate are optimistic about the future. Our house is in order, both financially and physically, and we expect to secure our fair share of the available business.

Felix S. Hales

Nickel Plate's operating revenues for the first 11 months of 1958 totaled $128,740,000, a decrease of $31,261,000 from the same preiod in 1957. Net income in the same period amounted to $9,109,000, equal to $2.20 per share of common stock compared with $13,923,000, or $3.38 per share in the 1957 period.

Earnings per share improved during September, October and November compared with earlier months of 1958, and for the three-month period aggregated $1.06 per share in 1958 compared with $1.07 per share during the same months of 1957. Earnings of 31 cents per share in November exceeded for the first time in 1958, earnings for the same month in 1957.

To improve service to its shippers, Nickel Plate purchased in 1958, 40 additional Diesel electric locomotives and leased 30 such locomotives from another railroad to make possible the full dieselization of the system at the curernt level of business. Fifteen additional air-slide covered hopper cars were acquired, 49 box cars were equipped with DF loading devices and 334 other box cars were equipped to provide special services. A new car repair facility was completed at Madison, Ill., and construction or modernization of facilities for servicing diesels was progressed at several terminals. An IBM 650 electric computer was installed late in the year for use in processing payrolls, revenue and disbursements accounts and statistics.

Delivery of 35 additional Diesel electric locomotives is scheduled for the first quarter of 1959. Additional air-slide cars and equipment to expand piggy-back service will be acquired.

More and more use will be made of mechanized equipment to reduce the costs of railroad operations. Such equipment is being steadily acquired for the maintenance of roadways and equipment, materials handling and communications systems as well as for office work.

Passage by the Congress of the Transportation Act of 1958 and repeal of the wartime 3% tax on transportation of property have been heartening to the railroad industry. Especially gratifying was the fact that these measures received the overwhelming support of the members of Congress as well as the nation's newspapers, radio and television.

Railroad shareholders, employees, shippers, suppliers and other friends of the industry were helpful in bringing the plight of the railroads to the attention of the members of Congress and the public generally.

While the legislative program enacted by the Congress

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does not provide for all of the equality of treatment and opportunity that the railroads need, it was an important step in the right direction. In recognition of the need for further action, the Senate passed a resolution authorizing its Interstate and Foreign Commerce Committee to undertake a broad study of transportation policies, with particular attention to the railroads. It is hoped further remedial legislation will follow promptly such study.

CHARLES W. HALL

President, The Oneida National Bank & Trust Co. of Utica, N. Y.

As we look ahead into the year 1959 forecasting the outlook for business in general, we must quickly qualify any opinion with a reservation of world affairs. With this in mind, special emphasis must be made on the Near East, West Berlin and the Asiatic countries. Any change from the present could bring great economic strain.

Charles W. Hall

Utica is located in the heart of the Empire State and is a very busy industrial city. As you review what is making our community prosper, you quickly see that every area of economic life is making its contribution. We presently have a substantial amount of heavy construction under contract. New residential housing is being built in many areas long overlooked and most of this construction is in the medium priced field. Developers are active in well selected home areas and mortgage money is available to meet all of these needs. Both types of construction are bringing full employment to the skilled tradesmen who are available to serve the building industry.

In a related field of employment requiring many hands is the building of several miles of new arterial highways, which are scheduled for completion during 1959. In addition to the labor that will be required in the building of these highways there are substantial demands for all of the materials going into this type of construction, many of which are producing steady employment in this area.

Industrial emloyment will reflect in variable demands on the industries located in this area. We are privileged to have located in the general area many plants of national name organizations. Presently, some are making additions to their employment while others are holding employment at an even level. There are also some who are reducing employment due to seasonal factors or to model changes. Giving consideration to all of these conditions, looking into 1959 we are expecting a year of good results in industrial production requiring a high level of employment.

The outlook in retail sales for 1959 is encouraging. The Christmas holiday is bringing an excellent demand and inventory should be well reduced as merchants enter the new year. Here again, ample banking facilities are available for the financing of all of the instalment credit that is needed as merchants serve the volume of sales which make up an important part of their volume on instalment credit.

Agriculture is an important producer in this area and good crops along with a steady income from dairy products can be looked for in the year ahead.

Combining all of these factors, the general expectancy in this area for 1959 is—good business, good employment, with the qualifying reservation of circumstances unknown that are of world decision.

W. S. HALLANAN

President, Plymouth Oil Company

While the domestic oil industry enters 1959 under the burdens and uncertainties of an inadequate and unrealistic price structure, mounting costs, excessive imports and political threats against the depletion allowance, the near-term outlook is considerably brighter than it was a year ago.

W. S. Hallanan

Then, as we entered 1958, the American oil producer's earnings were either non-existent or at the lowest point since the bottom of the depression of the '30s; the anticipated increase in demand had not materialized; inventories of crude oil and products were exceedingly burdensome with corresponding crumbling of the industry's price structure; the number of allowable producing days in the major oil producing states had been cut to the bone; and despite governmental efforts to bring them within control, imports continued to supplant rather than supplement domestic production. The outlook was indeed the bleakest the domestic oil industry had faced in the last quarter of a century.

The year of 1959 begins at the height of national economic resurgence with an increasing demand for petroleum products and with the industry's house in good order in the matter of inventories. While the price structure is still far from adequate to maintain a level of exploration and development consistent with our national defense, there is sound reason for the hope that this situation will be remedied through operation of the natural economic laws governing supply and demand. There is growing confidence that realism will outweigh political considerations and forbid dangerous tinkering with the depletion allowance. There are also indications of a more satisfactory and workable plan of import control.

As for the long-term future of the industry, it is indissolubly linked with the economic future of America. In the light of the fact that the entire history of our country has been one of continual growth and expansion, it is not incorrigible optimism to believe that this forward march and the breaking down of new economic frontiers will be continued. Indeed it would be unwarranted pessimism to think otherwise.

It has been one outstanding characteristic of the oil industry that it has always been forward-looking. It has been prepared throughout the hundred years of its existence to meet every demand of peace and war because it has had confidence in America and its future and has kept itself in a state of readiness to meet an ever-increasing demand.

America will continue to go forward, but it cannot move except upon a cushion of oil. I have every confidence that any industry which gambles on the future of this country will find its ultimate reward.

GEORGE W. HANSON

Treasurer, Atlantic, Gulf & Pacific Co.

The 1959 business outlook for the dredging industry depends largely on the release of remaining funds appropriated for the fiscal year ending June 30, 1959 and on the amount appropriated and released for the fiscal year beginning July 1, 1959. As we stated in our letter last year, there are many harbor and channel projects with great immediate and potential benefits which have been studied by the Army Engineers, approved by Congress and which need only funds to get them under-way.

George W. Hanson

Our industry has long looked forward to the time when Congress would adopt a more realistic and uniform system of appropriating funds for harbor and channel improvements. Funds are made available in an erratic manner—on an up and down scale leaning heavily toward the down side. This has a costly effect: the idle time of special and expensive equipment. The equipment of our industry was idle approximately 50 percent of the time during 1958. The care and maintenance of idle plant is expensive and, of course, is reflected in all-over dredging costs. Since it is undeniable that improved waterways add greatly in industrial and civic growth and low cost transportation it is difficult to understand why such improvements are not provided for adequately.

The Engineering News-Record stated recently, in an article titled MODERNIZE TRANSPORT IN ALL ITS FORMS, that "Even if a nation had thoroughly modern facilities for air, road and rail transport it would still need a fourth means of moving its products—by boats and barges. And the water transport facilities of the United States are by no means as modern as they should be. Here, too, a continuing job is in prospect in dredging ocean and lake port harbors, building new piers and deepening and straightening river channels and inland waterways."

The improvement of harbors and channels ranks high in the continuing development of our country. Every completed project is both a local and a national asset, adding strength to the nation. When a project is in progress a large volume of direct and indirect employment is furnished. When curtailed, unemployment follows and potential benefits lie dormant. The recession is not over. Many men sorely needing employment are still idle; a large number of them were employed in our industry. A better balanced program by Congress would alleviate the bottle necks in the dredging industry and provide more stable procedure for the future, both for the industry and the nation's waterways.

R. H. HAMMER

President, The Globe-Wernicke Co.

The closing weeks of 1958, in the office equipment industry, showed a stepped-up optimism and enthusiasm with a matching increased sales pace. This is a forerunner of what 1959 will bring forth. Many predictions indicate an optimism for the first six months of 1959; however, I feel business will maintain a favorably high level throughout the entire year.

R. H. Hammer

The current psychology is conducive to an upward trend. Business leaders are showing confidence by making concrete plans for expansion. This optimism has filtered from the top levels down. Overall, people as a whole are exhibiting a growing confidence. This mass psychology is gaining momentum and people are spending. I believe the willingness of people to spend is one of the most powerful factors being felt at this time. A second factor giving assurance of a favorable 1959 for the office equipment industry is the planned capital expenditures business and industry anticipate for the coming year. Because of the recessionary forces and the downward 1958 spiral, a pessimism pervaded management's thinking causing a "holding off" of expenditures for expansion or replacement programs. With the changed psychology, these "deferred expenditures" will be released at an increasing rate as the spiral continues an upward trend.

In the office equipment industry, we are feeling this healthy trend. As 1958 drew to a close, the volume of inquiries from established companies for information relevant to office equipment for replacement or expansion increased. Reports from dealer organizations confirm this pattern.

Because the trends are upward does not automatically guarantee for a business increased sales. To get an increased share will demand effort, planning, and concentrated efforts by line and staff alike. People must be encouraged to buy. Selling must become educative and scientific. Any business expecting to show a more profitable profit and loss statement simply because the trend is upward can well find itself in a precarious position during 1959. Concentrated and planned selling will make the difference between success and failure.

Today, management takes pride in its organization, its plant, and its offices. As regards office equipment, conservatism has gone. The office is no longer viewed as a necessary evil, but the nerve center of the organization. Today, management thinks of the working comfort of employees and the public relations value of the impression the office makes on visitors.

The use of color in the office is gaining in momentum. Scientific studies have shown its value leading to greater efficiency and productivity. The use of more color is a growing trend.

Design goes with color. Equipment for both the private and general office is going in the direction of the "lighter look," a functional factor leading to greater efficiency. Color and design are becoming standards and a mark of progressivism for a business. For our industry, this thinking means a growing business.

Barring any diplomatic cataclysms or natural catastrophies, I see 1959 not as an isolated year of statistical facts, but rather as the beginning of a new progressive era of transition—possibly lasting five years—in which top management of business and industry will undertake accelerated programs of replacement and expansion.

For the office equipment industry, ample business will be there. The aggressive manufacturer with the planned, educative program and with the functionally designed products meeting the design and color requirements of the new electronic age will find 1959 the beginning of a boom period.

W. HARNISCHFEGER

President, Harnischfeger Corporation

In view of the adjustment period ahead, I am a little hesitant to project my views with regard to 1959. However, our principal business is tied into the heavy industries and construction work. The heavy industries have now been in a recession for over 18 months and personally I am inclined to believe that we are scraping the bottom and that there will be a steady improvement in the year ahead.

W. Harnischfeger

As you know, crane inquiries are a barometer of expansion in industry. Many companies follow a procedure of requesting proposals for budget purposes at this time of the year but inquiries are not as high as they were a year ago. However, I still believe that there will be a larger volume of crane business placed than in 1958, probably about 10%. The same applies to the heavy mining industry. There are many old machines in this field and many of them are worn out. I believe that a 10 to 15% expansion through the year is well within the realm of possibility.

With regard to the construction industry generally such as highways and heavy construction, it is my opinion that there will be a larger volume let in this area due to the fact that the engineering in many areas is farther advanced as substantial progress has also been made in acquiring right-of-ways. We are looking forward to an increase of a minimum of 10 to 15% in this area.

Home building should be good although certain problems in financing may develop in the course of the year due to our Federal fiscal problems.

Barring a steel strike, the steel industry should certainly expand 10 to 15% and our welder and electrode business will undoubtedly run along parallel lines.

We are also looking forward to a substantial increase in our diesel engine business due to the fact that our development program is farther along and the trend is very much in the direction of diesel power in order to reduce costs.

Due to the fact that there is excess capacity in many industries, I believe that competition will be extremely keen and the problem of building up earnings will require very concentrated effort and attention. Costs, I am certain, will continue to rise due to increased basic material labor costs.

Indications are that the Federal budget will show a very substantial deficit. This could only be altered by a substantial reduction in Federal expenditures as well as a probable sales tax. However, I am inclined to think that the political climate is not very favorable in this direction. The problem of inflation as well as labor pressures is unfortunately one of the most important problems confronting the country.

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HARRY F. HARRINGTON

President, The Boatmen's National Bank, St. Louis, Missouri

This past year has been a period of very real challenge to business leadership. At the start of 1958 business was trending downward, capital expenditures for planned additions were being curtailed, and inventories were being reduced. There was much talk of recession. Fortunately for the economy, personal expenditures continued at comparatively high levels, and cushioned the effects of the decline which reached its low point in the late spring.

Harry F. Harrington

Following this short but sharp decline, business began to evidence improvement, with the recovery led significantly by the construction industry. Most of the key business indicators had turned upward by fall, and the year ended on a high note. The trend of interest rates and bank loans closely followed the pattern of the economy. Interest rates declined during the early part of the year, stabilized, and then increased during the fall period. The average of interest rates, however, is still below the level prevailing a year ago.

We look forward to the new year with considerable optimism, and feel that business improvement will continue well into 1959. Inventories are now at comparatively low levels, and inventory rebuilding will contrast with the inventory reduction of 1958. The three major manufacturing industries, steel, automobiles, and construction, should all show significant improvement. Expanding volume, coupled with recent cost reduction programs, should result in improved profit margins and earnings. Expanding business activity, with its resultant demand for credit, should increase bank loans. If interest rates continue at present levels, bank earnings should show modest growth.

Inflation remains as a major problem. Inflation, or loss in purchasing power of the dollar, is in effect a hidden tax on fixed incomes, and it is hoped that we will face up to this problem realistically. The cost of living has remained fairly stable in 1958, and there is a measure of hope that inflation will be restrained in 1959.

In conclusion, we feel that by all standards 1959 will be a good business year.

ROBERT E. HARVEY

Senior Executive Vice-President, Merritt-Chapman & Scott Corporation

There appears to be sound basis for confidence that in 1959 the economy as a whole will continue its present efforts to free itself from the dampening effects of the general business recession which characterized the early months of the past year. The diversified industrial operations that comprise Merritt-Chapman & Scott Corporation will increasingly share in this steady improvement in the state of the nation's economic health.

Robert E. Harvey

By the nature of their operations, the industries of Merritt can be divided into two broad categories: long-term delivery operations such as those conducted by the Construction Department and its subsidiaries, and shipbuilding which is conducted by New York Shipbuilding Corporation, Camden, N. J., a majority-owned M-C&S subsidiary. Short-term delivery operations include those of Devoe & Raynolds Company, Inc., which manufactures consumer paints and industrial finishes, and Tennessee Products & Chemical Corporation which produces chemicals, fuel and ferroalloys. Both of these companies are majority-owned M-C&S subsidiaries. Steel fabrication is conducted by Milton Steel Division, at Milton, Pa. In addition to these operations, marine salvage and derrick heavy hoisting—traditionally associated with Merritt-Chapman & Scott—complete the roster of Merritt's activities in a widely diversified field of operations.

All of the industries in these two general categories are, of course, sensitive to changes in the overall economic climate. Operations which normally plan production schedules on a short-term delivery basis and therefore have relatively small backlogs, respond almost immediately to upward or downward movements in the level of business activity. On the other hand, long-term operations, while also influenced by movements in the economic level, do not immediately reflect these changes.

This pattern prevailed during the past year and can be expected to remain constant during the year ahead. In 1958, short-term delivery operations swiftly reacted to unanticipated cutbacks of production schedules in the industries they serve. For example, the sharp decline in steel and automobile production in early 1958 resulted in an immediate reduction of demand for Tennessee Products & Chemical's ferroalloys and Devoe's auto finishes.

Meanwhile, long-term construction projects absorbed some of the setback resulting from these curtailments, and continued to keep the company's construction operations at high levels of activity. Similarly, under the stimulus of requirements for naval and merchant vessels, shipbuilding activities during the past year established near-record levels of employment.

In the year ahead, it is estimated that new construction throughout the nation will exceed $50 billion. This would set a new record. Approximately $17 billion of this total is estimated to be spent on public works, and about $8 billion on highway construction. Industrial construction, hard hit during the general business recession, is expected to show substantial recovery later in the year and, together with commercial construction, is expected to account for approximately $6 billion in 1959.

Assuming that further positive action is taken on both the Navy's extensive preparedness program and also on the acknowledged necessity for replacement of a large segment of the nation's mercantile fleet, shipbuilding activities in 1959 can be expected to set even higher levels.

As indicated earlier, 1959 results of short-term industries such as steel, paints, chemicals and metallurgicals will depend on conditions in the various industries they serve. Realization of a production goal of 5,500,000 automobiles in 1959, for example, will be reflected in greatly improved results from operations in auto finshes, steel and ferroalloys. During the second half of last year, results from these operations showed steady improvement over their recession-hit levels of early 1958. This condition can be expected to continue as the nation's industrial strength increasingly reasserts itself during the months ahead.

On balance, we anticipate that the economy as a whole, and the particular industries that comprise Merritt-Chapman & Scott Corporation, can view the months ahead with increasing confidence.

ROBERT M. HEARIN

President, First National Bank, Jackson, Miss.

An attempt to forecast the trend of business for an ensuing period should take into consideration the presently existing state of the economy. This is true because its strength or its weakness, as the case may be, will generally be projected, to some extent, into the period ahead. At the present time our trade area is experiencing the effects of the very definite change in business conditions from the moderate recession that was felt during the early part of the year. There is every indication that we will go into 1959 with business activity operating at a high level. The Federal Reserve Board Index of Industrial Production, which covers business generally, shows an advance on a seasonally adjusted basis of three points and is now 141% of the 1947-49 average.

...ert M. Hearin

The country's banking system, which usually reflects the trend of business, continues to show satisfactory gains. Loan demands, at least in our area, are well above the same date last year. Bank deposits also show a very substantial increase, and net earnings are well above average.

Private housing operations continue strong. The same is true of public construction. Both are operating at a high level and the indications are that they will hold this position during 1959. The steady increase in consumer spending is reflected in increased banking activity.

Although there are scattered reports which tend to indicate that business activity is leveling off, there is nothing of a positive nature in the present situation that would seem to justify such conclusions. All signs point to the fact that the business recovery that has been under way since the middle of the year is sound and will continue well into 1959. This is especially true of our area where the Business Trend report of Rand-McNally & Co. for the sixth consecutive month lists Jackson, Miss. as the top community in its list of "The Best Ten." The December report gave Jackson a 16-point increase over the comparable period in 1957 and both Rand-McNally and Forbes Magazine cite it as the community in the nation showing the most improvement each month since last July.

CARL L. HECKER

President, The Oliver Corporation

We expect a growth in our volume of sales in most of the segments of industry in which we are represented in 1959. We do not believe that the expansion of our economy will be of boom proportions next year, but we do anticipate at least an increase.

Our major volume is in the farm machinery field. Continued good crops, along with high acreages due to the pattern of price supports, will still keep farm gross income relatively high. This will still be true even though farm prices may decline somewhat. In order to realize the maximum net farm income, the farmer must continue to explore every avenue of reducing costs. More powerful, efficient, and labor-saving machinery must be employed to meet that requirement. A sizable replacement market for farm machinery exists, since production for the last several years has been relatively low.

Carl L. Hecker

While these facts are true on the domestic scene, export volume, due to a shortage of dollars and lack of financial stability in many areas of the world, will continue to fall off. The only answer to this problem is an expansion of manufacturing activity in foreign countries where opportunity exists.

Housing and light construction as well as road building will increase in 1959. The equipment of our manufacture such as crawler and wheel tractors, along with allied equipment, will enjoy a splendid increase in those fields.

It is estimated that the soil and water conservation program will be larger than our roadbuilding program. Since we have a broad line of earthmoving equipment for that field, substantial growth in volume should occur here also.

In the machine tool and conveyor fields, it is felt that the increased volume which we experienced at the end of 1958 is indicative of improvement in 1959 in the capital goods industry. While this improvement will be most gradual, the hydraulic and mechanical press field, as well as conveyor or material handling, is in the segment of most rapid expansion.

By more aggressive marketing and sales action, we feel that we can increase our percentage of the market in all of these products. Inventories in most cases are low. Our dealers' stocks need replenishment, as there has been good movement at the retail level in the latter months of 1958. Everyone today is fighting to maintain or even improve their margin of profit. The products which we build all contribute to lowering costs.

More aggressive engineering than ever before will be the watchword of 1959.

There will be an expansion of credit and in many cases an easing of terms to stimulate buying. Our record of low losses in receivables over the years may be cited as proof of the wisdom of that policy.

A continuous squeeze will be experienced on profits due to the large labor content of our products. We are experiencing continuous inflation in our country due to the gradually widening distance between the increase in the cost of production and the increase of productivity in American industry. We still lack the means to demonstrate accurately not only to the public but to our American worker and all of us engaged in industry, the deleterious effects of a labor increase formula tied to a cost-of-living index. Whenever increased costs become automatic, there is no incentive to reduce them.

It is to be hoped that the seemingly increased resistence to higher costs in all forms will be continued in 1959, with a result that the inflationary component of our costs will be minimized.

Surplus capacity still exists in most segments of American industry, and until that capacity is absorbed there can be no appreciable expansion of the capital goods industry.

In summation, we feel that due to some improvement in our economy, greater market penetration on our part, better control of costs, and more consolidation of operations, 1959 will be a better year for us than 1958.

G. CARLTON HILL

President, The Fifth Third Union Trust Co., Cincinnati, Ohio

The year 1959 should be a good one for business. Recovery from the recession is progressing at a satisfactory rate, even though at a little slower pace than at first. This may be a good thing. There are, however, two economic factors which may make trouble. One is the extreme caution shown by a great many so long as plant and equipment expenditures do not exceed their previous rather extraordinary bulge in 1957. The other is the outflow of gold and the unbalanced budget, giving color to forecasts of extreme inflation. If demand for goods holds up, plant and equipment expenditures should be at very satisfactory levels and if our Government is willing to apply the remedies for a weak budgetary and trade position which we have so frequently recommended to our friends abroad it should not be difficult to prevent monetary and credit inflation. There must, of course, be acceptance of the theory that increases in wage and salary payments must stay within the limits of increases in productivity.

G. Carlton Hill

ERNEST HENDERSON

President, Sheraton Corporation of America

We are looking forward to a good year in the hotel industry. Hotel managements seem to be making a concerted effort to hold the line on room rates which have been increasing steadily since the very high occupancy period of World War II when rent controls held room rates down and occupancy was correspondingly high. If room rates can be held reasonably in line, a rise in occupancy can be anticipated, particularly in the case of the larger hotel systems.

Ernest Henderson

Some economists looking ahead have raised the question whether automobile production will reach expectations on the theory that business from this source will affect all commercial activity, including the hotel industry. It is our conviction that with strong security markets paving the way, a high level of automobile production is assured for 1959. Economists frequently stress the question of public acceptance to new models. Experience seems to indicate that following a period of rising security

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markets the new models are always "accepted," and if security markets have been in a sharp decline, the new models usually seem to be "unpopular." According to this theory the question so frequently raised, as to the volume of automobile sales, does not appear to be a serious problem in the coming year.

For this and other reasons, we have little hesitancy in predicting an excellent outlook in 1959 for the hotel industry.

CHARLES W. HOFF

President, Union Trust Company of Maryland, Baltimore, Md.

At this time last year business activity was high but declining, and the outlook was one of uncertainty. Today many of the usual indexes are below the levels of a year ago, but the trend is upward. This gives a tone of cautious optimism to business sentiment, which is supported by a rising gross national product.

Charles W. Hoff

With the general improvement and higher personal income the emphasis has shifted from "recession" to "inflation" as the major problem. While opinions vary as to the wisest measures to adopt, there can be no doubt of the concern over Federal deficits and the urgent need for more economy in national, state and city governments, and for the removal of the racketeering element from leadership of some unions.

The difficulty in dealing with communistic Russia remains unchanged, and the unreliability of their commitments will likely impose defense burdens on us for years to come.

Business in Baltimore is sound and highly diversified, and our heavy industries are improving with the national pattern. Industrial and commercial power and gas consumption, building permits, telephone calls, and Post Office receipts are now at a higher rate than this time last year. The Charles Center development in the heart of our business district will begin by the end of the year, and this program will stimulate our entire local economy.

With the prospect for profitable employment of funds and services accompanying the business upturn, banks may expect another good year in 1959.

ROBERT H. HOGE

President, The Clark Controller Company

In the industrial control field many segments of our market have held up well during 1958. The primary decline occurred in the industrial control supplied to capital goods industries, particularly controls purchased in conjunction with new plant construction or modernization and expansion of existing facilities.

Robert H. Hoge

Standard equipment and alternating current packaged control, which is sold broadly to general industries certainly suffered a decline, but definitely recovered an upward trend about mid-year.

Also, in the last quarter, increases in purchases have been indicated for special applications in capital goods industries.

However, it would be my opinion that it would be a mistake to expect a sudden rise in control buying during 1959. We look for a continued increase in the standard products for general industries and spasmodic buying for the capital goods industries, nevertheless, showing a gradual average rise from the lows reached during 1958.

We operate in two attitudes: we govern most of our actions, where practical, with a very optimistic outlook for 1959, but as a matter of degree we really cannot expect that, relative to recent peak years, substantial business in industrial control for capital goods industries will be enjoyed prior to the beginning of 1960.

EUGENE HOLMAN

Chairman of the Board, Standard Oil Co. (New Jersey)

Improvement which took place in our business in the last half of 1958 is expected to continue into 1959.

The prospect of an increase in U. S. demand for petroleum, together with a rising demand in other free world areas, makes the near future outlook for demand more optimistic than at this time last year.

Eugene Holman

We expect that a continued rise in general business activity will result in a new high for petroleum demand in the United States, possibly amounting to about 5% over 1958. In the rest of the free world, too, the industry growth rate should accelerate, and we are looking there for about an 8% increase in 1959.

We believe our product sales volume will rise again in the coming year as it did in 1958 by reason of the vigorous marketing programs now being carried on by the companies affiliated with Jersey, but profit-margins have been squeezed.

The confidence of Jersey Standard and its affiliates on the long-term growth prospects for petroleum energy is best expressed by the company's program in 1959 which calls for spending about $1,000,000,000 for capital expenditures for producing, refining, marketing, tankers and pipelines and for other expenditures in the seearch for oil and gas. This is about the same amount as spent last year for these purposes.

About 42% of the consolidated companies' 1959 capital expenditures program will be in the United States; 32% in Canada, Latin America and other parts of the Western Hemisphere; and 26% in free areas of Europe and other parts of the Eastern Hemisphere.

The oil industry in 1959 faces new problems. One of the most serious arises from a decision of Venezuela's provisional government which on Dec. 20 raised taxes very drastically on a retroactive basis to the first of 1958. The industry has urged that an opportunity be afforded to discuss the matter thoroughly with the Venezuelan authorities. Among other oil industry problems may be moves here at home to increase the tax burden on our industry even though this would hamper the search for continuing supplies of new oil, and attempts to increase gasoline taxes still further even though gasoline is already one of the most heavily taxed of all commodities.

Turning to the oil industry's growth in 1958, petroleum demand in the United States was about 2% over 1957. This growth resulted largely from recovery in the last half of the year from the general economic recession which began in 1957.

In the other free countries, oil demand grew by about 7% over 1957 a growth marked by the vigorous economic recovery in Europe from the Middle East crisis of 1956-57.

Indications are that world-wide demand for Jersey Standard's major petroleum products will show an increase in 1958 of about 4% over 1957, and we look forward to increasing sales volume in 1959 if current economic trends continue.

To the domestic oil industry the imports situation continued to be a major source of uncertainty and is a question not yet settled.

The national interest requires a reasonable balance between domestic crude production and imported oil. Reaching such a balance involves consideration of the interest of the American consumer and national security including our country's trade relations with foreign oil-producing nations whose economic and political health are important to our security.

Certainly no restrictions should be placed on the importation of heavy fuel oil which is an essential fuel for industry. Domestic sources of their fuel oil are inadequate to met demand, and imports are necessary to overcome what would otherwise be a shortage.

We are confident that the petroleum industry's expanding research effort, now totaling more than $300 million annually, will help enlarge the markets for the more than 2,000 products made directly from oil. In the increasingly important field of petrochemicals, for example, our own research program had developed a process for producing polypropylene, one of the most versatile of the new plastic materials, and a new synthetic rubber with advantages over both natural and other man-made types.

Esso Research was recently selected by the Defense Department's top missiles and space unit, the Advanced Research Projects Agency, for a solid propellants research contract.

ARTHUR B. HOMER

President, Bethlehem Steel Company

In 1959, business activity should continue its recovery from the recession of 1958, and I am confident that Bethlehem will receive its full share of the substantially increasing orders for steel which should materialize. However, it is doubtful that a boom will develop in 1959. It is already apparent that there has been a slowing down of the rate of recovery, but increasing business activity may be expected as the year advances.

Arthur B. Homer

The extent of the increase in steel production, and the nature of the products which will be affected, can be foreseen to some extent. It is believed that the auto industry will be in the market for substantially heavier tonnages of steel; the cold-rolled sheets and other forms of steel they use are products of Bethlehem's Lackawanna and Sparrows Point plants.

It is anticipated that an upward trend will develop in the demand for structural shapes and plates, and of forgings. Bethlehem Steel makes these principally at its Bethlehem, Sparrows Point, Lackawanna, and Johnstown plants. For one thing, the Interstate highway program should call for more production of structural steel and other steel products used in highways than in 1958. However, a substantial increase in demand for heavy steel products wlil depend largely on how soon U. S. industry returns to the high level of capital spending of recent years.

A decision in Dec., 1958, by the Supreme Court, overruling a lower court decision in the so-called "Memphis Case," has opened the way for a considerable increase in production of line pipe and other steel products used in construction of natural gas pipelines. Much of the tonnage which Bethlehem sells is produced at our Sparrows Point and Steelton plants.

We expect a considerable increase in sales of steel to the railroads and to the mining, quarrying, and lumbering industries. Products for these markets are produced at our Johnstown, Steelton, and Lebanon plants.

However, in 1959 we shall continue to face strong foreign competition in the eastern U. S. on wire products, pipe and reinforcing bars. Wages in the steel industry are already among the highest paid n U. S. mass-production industries, making it difficult to compete with lower-priced products made by lower-paid European labor, even though these products must be shipped across the Atlantic Ocean.

It has been estimated that the American steel industry as a whole will produce about 110 million tons of ingots in 1959, compared with about 85 million tons in 1958. While this will not strain the industry's facilities, production may well run close to capacity on certain products for relatively brief periods during the year.

PAUL E. HOOVER

President, Crocker-Anglo National Bank, San Francisco, Calif.

The outlook for California's principal banks in 1959 appears to be as bright as the economic forecast for business generally here, which is superior to that for the Nation as a whole. This reflects, of course, our higher rate of growth both in population and economic development.

Paul E. Hoover

Recovery from the recession lows of April 1958 has been impressive with employment up some 12% in the important construction industry, over 4% in durable goods manufacturing and about 3% in services and government; and these activities account for some 55% of the 4,500,000 in non-agricultural employment.

Residential construction is in a rising trend which can be projected well into 1959 at a rate 5% to 10% higher than in 1958. Highway construction will rise in 1959, as is evident from contracts already set.

Inquiries about new plant locations indicate a sustained rising trend in new plant construction in California in 1959. Department store sales will show a small rise in 1958 over 1957, and this trend may be projected into 1959. In the important lumber industry prices firmed in the late months of 1958, reflecting rising demand and shipments.

The aircraft industry is gradually adapting itself to missile development and California will continue to produce the bulk of our aircraft and guided missiles. Increased emphasis on electronics is stimulating the growth of an important new industry in both the Los Angeles and San Francisco areas.

The oil industry continues to be faced with major problems that stem from a greatly increased supply in relation to a more slowly growing demand. Imported natural gas that replaces oil as boiler fuel, as well as imports of finished products and crude are both factors in this imbalance.

The outlook for agriculture may be summarized briefly, as follows: larger production bringing lower prices will reduce farm net income from the near-record level of 1958. Cotton acreage, for example, will be expanded as a result of changes in national policy, but prices are expected to decline from the support levels of recent years.

The consolidation period starting in mid-1957 was completed by mid-1958. The resumption of growth trends in the latter half of 1958 can be projected well into 1959. California's economy should attain new peaks in many areas in 1959.

PERCIVAL S. HOWE, JR.

President, The American Thread Company, Inc.

As is widely recognized, the Textile Industry has experienced a long period of recession, especially in comparison with other major industries. Improvement is long overdue and, in some measure, may be expected in 1959, assisted by the anticipated general business revival.

Percival S. Howe, Jr.

The Textile Industry, however, is divided into so many components that generalization is inconclusive. Specifically referring to the Thread Industry, the outlook for increased volume is enchanced by an expected higher level of actvity on the part of its widely diversified range of customers, by the probable increase in expandable income, by the high level of new household and family formation and by the tendency to rebuild depleted inventories.

The adverse influences upon both profit margins and volume are the intense competition for the consumer's dollar, as evidenced by the declining trend in the per capita consumption of all textile fibers, the continuing impact of adjustment to governmental cotton policies and, perhaps most important, the expanding competition from the importation of apparel items, which is encouraged by United States foreign policy. The Textile Industry is not alone in this. Time was when American industry could partially offset low foreign competitive wages through the use of better machinery and production methods, but recently foreign competitors have adopted efficient techniques and their

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extremely low wages are more than sufficient to offset the decreasing import duties.

Evidence of the scope of this competition is indicated by the importation from Japan alone in the two months of August and September, 1958, of 480,614 dozens of garments and 1,045,307 pounds of other apparel items unspecified as to type. Apparel items are also pouring in from Hong Kong, at the rate of over 150,000 dozen monthly, and to a lesser extent from other countries. This imposes a serious threat to the Thread Industry and its customers. It is hoped that governmental policy will be altered before the scope of the damage is widened.

RUSSELL J. HUG

President, General Baking Company

Barring unforeseen disturbances in the labor and raw materials cost picture, the year 1959 shows every indication of being the most satisfactory in the overall baking picture. Throughout the past year, the plateaus reached and maintained through a hectic economic adjustment period, resulted from the natural leveling effect of multiple forces from within the national economy's adjustment. Staggering increases in the growth of our population assure a continuing volume demand for Bakers' Products and, while these effects from population increase are insurance for the baker, these same increasing demands for his products guarantee continuing intense competition as well.

Russell J. Hug

Unlike other industrial fields, the baking industry has the advantage of relative stability, and is not given to reflecting sudden dips within its economy.

Bread and other baked products, because of their relative nutritional and taste values, will always enjoy a strong demand from every segment of the population.

Despite the apparent advantages, however, such as industry stability, growing consumer rate and steady product demand, the baker is always faced with relatively low profit margins and is, therefore, not prone to expressions of excessive optimism as he faces each new year.

Our company has confidence in the future of its earnings because of our having faced every possible kind of fluctuating market condition throughout the past, and also because we remain alert always to meet new and previously unseen demands from our consumers.

The future looks good for the baker, but the baker's optimism is leavened with caution and recognition of the need to maintain high quality level, while continuing to operate at low profit margin and, therefore, his optimism must always appear within the framework of past experience.

H. E. HUMPHREYS, JR.

Chairman, United States Rubber Company

Rubber industry sales in 1959 should set a new record of more than $6 billion compared with an estimated $5.5 billion in 1958.

U. S. Rubber plans capital expenditures of approximately $30 million in 1959 compared with $25 million in 1958.

The four principal reasons for my optimism are: First, the industry faces a rising economy for 1959, a sharp contrast to the recession faced for 1958; second, the market for replacement tires is growing; third, there is a revival in demand from automotive manufacturers for the products which the industry makes for new cars; fourth, markets are expanding for the industry's chemicals, plastics and other products.

H. E. Humphreys, Jr.

Passenger car, truck and bus tire sales will total about 103 million units in 1959 compared with an estimated 94 million units in 1958. Of this total approximately 90 million passenger car tires will be sold compared with 82 million in 1958. Truck and bus tire sales will total about 13 million units next year compared with 12 million for 1958.

Replacement passenger tire sales should set a new record of approximately 61 million units compared with 59.5 million in 1958. Original equipment tire sales will depend upon new car production next year, which is almost certain to total 5 million units and could be substantially higher.

The automotive industry buys approximately 12% of the rubber industry's output and renewed automotive demand will boost sales not only of tires but many other rubber industry products which go into new cars such as foam rubber, mats, windlace, hose, plastic-coated and other fabrics for upholstery, and a growing number of plastic items for interior trim.

Sales of industrial rubber products follow closely the Federal Reserve Board Index of industrial production and industry's capital expenditures. With increases forecast in both of these categories, the rubber industry can look forward to improved sales of conveyor belts, hose, packing, power transmission belting and other industrial rubber products.

Rubber consumption by American companies in 1959 will total better than 1.5 million tons, very close to the industry's all-time high of 1.53 million tons reached in 1955. An estimated 1.35 million tons were consumed in 1958. About 65% of domestic rubber consumption next year will be synthetic while the remaining 35% will be natural.

Synthetic rubber consumption is rising rapidly abroad. Approximately 380,000 tons were consumed by free foreign countries in 1958. This figure can be expected to rise to more than 500,000 tons in 1959, or about 28% of total free foreign consumption next year.

Much of the foreign increase is due to expanding foreign synthetic rubber production capacity. Italian, English and German plants came into operation late this year and French and Japanese plants are scheduled to start production in 1959.

Our company expects to increase its industry share of replacement tire sales in the new year. Sales of our new premium tire, the U. S. Royal Master, are currently running well ahead of what they were a year ago. And the outlook for 1959 looks still brighter because of the tire's advanced features plus an expected increase in new car sales.

A promising area for future growth lies in the field of plastics where we are both a manufacturer of raw materials and a fabricator of plastics products.

The manufacture and use of plastics is rising so rapidly within the company that the word "rubber" in our name does not adequately describe the scope and versatility of the company's production. Plastics are in the forefront of the company's expanded research and development program which calls for an expenditure of more than $120 million during the next five years. Of this total about 20% will be spent for research and development of plastic raw materials and products.

JOEL HUNTER

President, Crucible Steel Company of America

The improved specialty steel business which began in the fall of 1958 continues as we enter 1959. The increase in our business reflects the cessation of customer inventory liquidation and a return to buying for current requirements as well as improvement in durable goods industries. Past experience suggests that customers will start adding to their inventories as business conditions improve and delivery time is extended. In the first half of 1959 buying policies will be influenced by the mid-year expiration of the steel industry's three year labor contract, and the possible cessation of steel production if a strike should occur. Our business should be at high levels in the first half, with some uncertainty thereafter. The most important consideration will then be the activity of customer industries.

Joel Hunter

Wide variations in demand for individual steel products were the rule in 1958 and are likely to prevail again in 1959. Tool steel, for example, in 1958 had its poorest year in nearly 10 years, but is expected to have a substantial recovery in 1959. Likewise, industry shipments of seamless pipe for the oil and gas industry (for which we supply semi-finished steel) declined nearly 60% in 1958. Oil and gas drilling were off less than half this much, and we anticipate an improvement in this business in 1959.

Stainless steel gave an excellent account of itself in the recession. It was one of the few steel products to do better in 1958 than in the 1954 recession. Going back further, stainless shipments in 1958 were approximately 75% higher than in the 1949 recession as compared with a gain of about 5% for all types of steel. This showing is noteworthy considering that one of the largest stainless markets is automobiles, and 1958 passenger automobile production was more than 15% below 1949. Stainless will continue to grow faster than steel in general.

PETER F. HURST

President, Aeroquip Corporation

There are strong reasons to believe that well managed companies in our industry will report substantially improved sales and net earnings in 1959.

Increasing evidence gives credence to the conviction that the capital goods industries, which make up our markets, are sharing fully in the upturn in general business that is in prospect for 1959.

Growth of Aeroquip's operations will come from an expanding need for the best in flexible hose lines, detachable reusable fittings, specialized clamps and couplings, straps and cargo handling and tie-down equipment in such currently favored fields as jet aircraft, rockets and guided missiles.

Peter F. Hurst

Another strong demand factor rises from the trend toward automation in the nation's factories bringing about more complex machinery and equipment.

Looking at the scoreboard, it is encouraging to note that Aeroquip's order backlog is currently close to the high levels of recent years and we anticipate a further build-up in backlog in some of our operations.

Helping out in 1959 will be the fact that a number of companies, including Aeroquip, initiated major cost-cutting measures during the 1957-1958 recession. This means that, as sales rise, earnings should move up at an even faster rate.

Our sales forecast expects business volume in 1959 to be close to the company's all-time sales record achieved in the fiscal year ended Sept. 30, 1957.

Looking at the overall picture of U. S. industry, the breadth and strength of the upturn has more than lived up to most expectations held a year ago. By October 1958, the Federal Reserve Board's seasonally adjusted index of industrial production had retracted over 60% of its decline from August 1957. Also in October, the value of manufacturers' inventories (seasonally adjusted) held steady for the first time in over a year, following successive month-to-month declines since August 1957. Sales by all manufacturing concerns in October (seasonally adjusted) showed a continuation of the upward trend that has taken place since April 1958.

These are encouraging signposts for all sections of the business world.

Aeroquip enjoys the further advantage of being in a growth industry. New and varied hose lines, fittings, specialized couplings and related products are introduced in or field each year in answer to the requirements of the continuing revolution in industrial technology. The individual company in our industry which stresses engineering research and inventive development will find the expenditure of time and money a worthwhile investment. At Aeroquip we have consistently placed strong emphasis on these activities, even in periods of reduced business. As a result, I feel certain our future growth is assured.

LAWRENCE A. HYLAND

Vice-President and General Manager
Hughes Aircraft Co.

Introduction of four new systems geared to defense projects helped to increase our company's annual sales to nearly $500,000,000 in 1958. This record solidly establishes the company as a national leader in the field of electronic systems development, production and management. For the first time, the company is producing defense systems for the Army and Navy as well as the Air Force.

Lawrence A. Hyland

We have expanded the company's commercial products operation and signed agreements with both Japanese and Canadian sales representatives preparatory to entering international markets in 1959.

The new systems unveiled by Hughes as production items in its California and Arizona plants during the past year included:

(1) MA-1 airborne integrated control and armament system which flies a supersonic F-106 all-weather jet interceptor through all phases of airborne combat from take-off to touchdown, leaving the pilot free to make the necessary tactical decisions. MA-1 incorporates Digitair, the first production airborne digital computer effectively performing all necessary functions associated with flight, navigation, search and attack on interceptor missions.

(2) "3-D" Radar—A new "three dimensional" radar which detects airborne targets at extreme range and for the first time simultaneously computes distance, bearing and altitude was developed for the U. S. Army Signal Corps at Hughes' ground systems plant in Fullerton, Calif. Called Frescanar, the new radar has been described as the eyes of "Missile Monitor," an Army air defense guided missile fire distribution system for use with a field army.

(3) Super Falcon—The latest member of the company's Falcon guided missiles—the Super Falcon—the GAR-3 is a supersonic guided missile that climbs higher, flies faster and has greater range than any of its predecessors, and "represents a powerful deterrent to airborne nuclear attack against American cities," officials said. It is being produced at Hughes' Tucson, Ariz., plant.

(4) Machine tool controls — An automated all-electronically controlled line of machine tools that can greatly speed up production of guided missiles and other defense items was introduced. The line, operated from punched tapes and controlled by transistorized digital computers, produces vital parts for the Hughes electronic armament control systems made at the El Segundo, Calif., plant.

Development of new Hughes' systems coincides with the belief widely held in military and industrial circles that the manned bomber will continue to be the greatest threat to American security for the next decade, and that effective defenses against it during that period will be a calculated mixture of the airborne man—piloted all-weather jet interceptors—and surface-to-air missiles.

With a production background of more than 11,000 electronic armament and control systems and thousands of Falcon missiles, each a system in itself, we are currently moving into a modern new plant at Fullerton, Calif., where ground radar systems are to be manufactured.

Additional expansion for 1959 includes completion of remodeling of a Newport Beach, Calif., facility south of Los Angeles for development and production of silicon and germanium diodes and transistors.

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J. B. Carter With Lehman in Houston

HOUSTON, Tex. — Lehman Brothers announced that John B. Carter Jr., prominent in Southwest business affairs, has become associated with the firm. He will make his headquarters in the Bank of the Southwest Building.

Mr. Carter is a director of the Texas Fund Management Company, Hill & Hill Truck Lines Incorporated, Consolidated Products, Inc., and the American Marine Corporation of Delaware.

He has been an independent financial consultant and oil operator for the past seven years, prior to which he was President of Texas Financial Management Company.

Bank Credit to France

A group of American banks, headed by The Chase Manhattan Bank and the First National City Bank of New York, have agreed to place a $200,000,000 stand-by credit at the disposal of the Republic of France to be used eventually as a reserve fund to contribute to the stabilization of the French franc.

John J. McCloy, Chase Manhattan Chairman, said on Jan. 2 that the credit covers a maximum period of two years and may be drawn upon as deemed desirable by the French Government. The Chase Manhattan Bank will act as agent for the credit on behalf of the managers.

News of this credit followed the announcement by French Finance Minister Antoine Pinay that his government had received "large scale" financial backing from several European central banks.

Allen Group Sells United Asbestos Stock

Allen & Co. on Jan. 9 headed a group of investment bankers offering publicly 500,000 shares of United Asbestos Corp. Ltd. capital stock at $6.75 per share. This offering was quickly oversubscribed and the books closed.

Net proceeds from the sale of the stock will be used for general corporate purposes, including the possible acquisition of additional mining properties, and for further exploration and development of present properties.

United Asbestos Corp. Ltd. was incorporated in 1948 under the Quebec Mining Companies Act of the Province of Quebec, Canada, to engage in the exploration, development and operation of mines, mineral lands and deposits. Since its organization, the company has acquired various mining properties including mineral rights near the town of Black Lake, Quebec in the heart of the district which produces about 60% of the world's supply of raw asbestos. Under a joint mining venture with American Smelting and Refining Co., through which that company took title to the Black Lake properties, United Asbestos is entitled to receive a share of the net proceeds from sales of asbestos produced at the Black Lake properties. The bringing of the Black Lake properties into production required a capital outlay by American Smelting and Refining Co. of about $35,000,000. In addition to its interest in the Black Lake properties, the company owns other mineral rights of undetermined value.

United Asbestos Corp. Ltd. has no funded debt and upon completion of the current financing, outstanding capitalization will consist of 4,312,000 shares of capital stock, $1 par value per share.

Associated with Allen & Company in the offering are: Francis I. duPont & Co.; Blair & Co. Inc.; A. M. Kidder & Co., Inc.; McDonnell & Co. Inc.; and Golkin & Co.

Form Liberty Financial

Liberty Financial Corp. has been formed with offices at 350 Fifth Avenue, New York City, to engage in a securities business. Officers are James J. Colt, President; S. S. Colt, Vice-President and Secretary; and Walther A. Friedlaender, Vice-President.

Two With First Trust

(Special to THE FINANCIAL CHRONICLE)

LINCOLN, Neb. — Jerry C. Stirtz and Lyle D. Wurtz are with First Trust Company of Lincoln, 10th and O Streets.

Birr & Co., Inc. Formed on Coast

SAN FRANCISCO, Calif.—Birr & Co., Inc. is being formed with offices at 155 Sansome Street, to act as underwriters, brokers and dealers in securities. The new firm will be a member of the Pacific Coast Stock Exchange.

Officers are H. T. Birr, Jr., President; H. T. Birr III, Vice-President; M. Skaife, Secretary-Treasurer; and Robert R. Birr, Assistant Secretary-Treasurer.

H. T. Birr, Jr. was formerly with Bankamerica Company, First California Company and Walston & Co. H. T. Birr III and Robert Birr were with Eastman Dillon, Union Securities & Co., First California Company and Walston & Company. Mr. Skaife was with Dean Witter & Co., First California Company, and Walston & Co.

Joins M. C. Yerke

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio — Russell L. Click is with Marvin C. Yerke & Associates, Inc., 40 West Broad Street.

Joins F. I. du Pont

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo. — Harold Courtney has joined the staff of Francis I. du Pont & Co., Merchants Exchange Building. He was formerly with Reinholdt & Gardner.

With L. W. Chamberlain

(Special to THE FINANCIAL CHRONICLE)

RED WING, Minn.—Le Roy J. Kuhlmann has become connected with L. W. Chamberlain & Co. Inc., 315 East Avenue.

ontinued from page 66

CHAS. E. IDE

President, The Toledo Edison Company

During that period the KWH sales of the Toledo Edison ompany to our total manufacturing customers shows a ecrease of 5.6% under the same eleven months of 1957. he non-manufacturing classification which includes ailroads, public warehouses, piers & ocks, petroleum pipelines, department stores, hospitals, etc., shows a ecrease of 1.1% under the first 11 onths of 1957.

Chas. E. Ide

Total industrial sales are down .1%. In the manufacturing classification the only industries to show ncreases are food, chemical and etroleum refineries.

For the same eleven-month period he total operating revenue of the oledo Edison Company shows an inrease of only 6/10ths of 1% over the omparable period of the previous ear.

The results I have described are ue largely to the industrial receson which took place, particularly in the automobile nd other heavy industry.

Strikes have taken their toll of industrial activity as ell. There has been some pick-up during recent weeks, ut hardly to the extent that had been hoped for.

Competition is keener. Foreign competition is taking s toll in certain lines and it remains yet to be seen hat the automobile market for the coming year will be.

The manufacturing and sale of electric appliances eems to be showing a good recovery. Home building hows a slight improvement and there will be some comercial building.

This company anticipates an increase of total operating evenue for the coming year of approximately 6% which s considerably less than we had in the past been accusomed to normally anticipating.

The Toledo Edison Company's construction expendiures for the year 1959 will be substantially under those or 1958. In general, we look for a moderate pick-up in ndustrial and business activity, but do not anticipate it vill reach the levels of 1955 and 1957. Much depends on ales success of the automobile industry, the electric apliance industry, home building and home building roducts.

AUGUST IHLEFELD

President, Savings Banks Trust Company, New York City

Mutual savings banks face the prospect of another ear of record deposit gains in 1959.

The increase in deposits of mutual savings banks pproximated $2.5 billion in 1958 for the first time in heir long history. As we enter the ew year, there are no clouds on the conomic horizon that threaten this trong upward trend of savings ank deposits.

August Ihlefeld

A number of factors have conributed to this accelerated growth f liquid savings which other thrift nstitutions have shared. Record peronal incomes, the widespread esire for personal financial secury and growing public appreciation f the liquidity that a savings bank eposit account provides favor anther year of record deposit gains. t seems quite likely that the inrease for this year will again aproximate $2.5 billion for the naon's savings banks.

It is true that larger purchases of automobiles and ther consumer durable goods could reduce somewhat he proportion of personal income that will be placed in hrift institutions during 1959. But this should be offset y an increase in personal incomes over the level of the ecession year 1958.

Mutual savings banks are provided with ample investent outlets by the large volume of residential conruction that is under way. With new dwelling starts lose to their historical peak rate, sound mortgage loans ave been available in ample volume and at attractive ields to lending institutions. Through making forward ommitments to take up such loans next year, savings anks have done much to facilitate and to encourage ew home building.

Corporate bonds, the second major outlet for savings ank funds last year, are likely to be offered in smaller olume during 1959 because of the moderate level of apital expenditures by industry. On the other hand, ew offerings of long-term bonds by the United States reasury at competitive yields could lead to sizable urchases of such issues by mutual savings banks, to upplement their mortgage lending.

Prospects both for deposit gains and for new investent opportunities of mutual savings banks are thus uite favorable for 1959.

R. W. JACKSON

President, Aldens, Inc.

In general, I agree with most economists that there will be a continued improvement in the economy during the first half of 1959 and that this improvement will continue through the second half but at a somewhat slackened pace. The consumer is becoming more and more confident in the increasing strength of the economy with the result that all factors such as residential construction, consumer spending, etc., will continue to improve.

R. W. Jackson

Speaking for Aldens in particular, retail prices in our Spring catalog will be generally lower than in our 1958 Spring and Fall catalogs. We are quite optimistic about the continued advance of retail sales throughout the year and with this thought in mind have stepped up our promotional program to an extent where we are budgeting a 6% increase in sales for the first half of 1959. Our confidence in attaining this goal is based upon the fact that the consumer is now in a better financial position to take on additional instalment debt and we are aggressively promoting for more credit customers.

The pressure of rising commodity prices due to stepped up increases in wages will, I believe, bring about a slight increase in prices but not enough to materially affect the retail price of goods.

I believe 1959 will be a better year than 1957 or 1958, both in sales and profits.

WILSON C. JAINSEN

President, Hartford Accident and Indemnity Company

The stock casualty outlook for 1959 may be best approached by reviewing 1958, which at this moment is a record of 10 months of activity.

In general, during 1958 the unfavorable underwriting conditions that started in 1956 and continued through 1957 have remained. There is apparently a variance in the performance of individual companies. In general, the experience has not changed enough to indicate a trend.

Wilson C. Jainsen

The unfavorable results of the stock companies are, for the most part, in its automobile insurance—a major line. However, there has been a diminution of the margin of profit in almost every other line written by casualty companies.

Stock casualty companies may show an increase in premium of perhaps 8 to 10% in 1958. To a large degree, however, this represents inflation or higher rates rather than a correspanding increase in the number of units or items.

Nineteen fifty-eight was a year in which most casualty companies had a problem of assimilating the volume of business that was offered to them. It is understandable that when the business is unprofitable, the companies are less production-minded than under profitable conditions.

The year '58 has witnessed a slowing down of the ability to receive approval of justified rate increases, particularly in the automobile casualty field. Nineteen fifty-eight has also seen the start of a move to maintain a more competitive picture by modifying downward the expense portion of the automobile rate structure, which includes commissions. This is meeting with a mixed reaction from agents and is a disturbing element between stock companies and their productive forces.

Nineteen fifty-eight has seen most stock companies realistically strengthening their claims reserves.

This, in a few words, highlights the present and the immediate past. What is the outlook for '59?

Midnight of 1958 will neither solve the present problems nor create a new set of problems. Nineteen fifty-nine will probably prove to be a retread of 1958 with minor variations and, overall, a slight continuing improvement. If the business turns more profitable, competition will become intensifed.

It is a reasonable hope that there will be greater realization on the part of rate authorities to grant increases more promptly and more realistically.

Nineteen fifty-nine will find the stock casualty companies generally in a strong financial position, adequately reserved, and able to cope with the very serious problems that confront them and which up to now have not been solved. It is anticipated that the volume of business will continue to increase, and it is hoped that the loss side of the picture will show further improvement.

Unfortunately, many of the factors that affect casualty insurance are found in the general economy and are beyond the control of the casualty insurance industry. I believe that the industry will bring increasing vigor to the attempts to solve the problems within its purview —and that is distinctly a hopeful sign.

The investment picture for 1958 has favored the casualty companies. It is hoped that when '59 is completed we shall be able to make the same statement.

WALTER L. JACOBS

President, The Hertz Corporation

The car and truck rental and leasing industry is looking forward to another record-breaking year in 1959.

The industry has, in fact, been in a growth cycle since its birth approximately 40 years ago. Each year volume has surpassed that of the preceding year. The most dramatic expansion, however, has taken place in the last five years. In the case of The Hertz Corporation, for example, 1953 volume was approximately $20 million; in 1958 it was over $90 million exclusive of foreign operations. And in the next five years the Corporation's volume is expected to more than double, so that by 1963 Hertz will be recording an annual volume of $200 million.

Walter L. Jacobs

The reason for this phenomenal growth, and the bright outlook for the future, is obviously the growing acceptance of the concept of renting and leasing vehicles instead of owning them. There are other factors: the general economic upsurge, increasing costs of owning and maintaining vehicles, the growing use of rented and leased vehicles by business and industry, the advent of jet travel, and the over-all increase in travel, both at home and abroad.

There are, of course, additional factors accounting for this growth, and not the least of these is the fact that the era of the automobile as a symbol of social position, wealth or prestige is rapidly vanishing. In days gone by, ownership of an automobile was a mark of status in the business and social worlds. Now, however, use has been accepted as a substitute for ownership, and one need only have the use of a means of transportation. Whether or not he owns the vehicle is of no account.

This trend has accelerated of late in metropolitan centers, where the automobile has become an expensive and difficult institution to maintain. Figures show that the average family automobile is idle 95 per cent of the time, yet continues to incur depreciation costs, and the costs of insurance, licensing, interest, taxation, and often garaging. More and more drivers in larger cities, and even smaller ones, are renting automobiles when they have need for them instead of buying them.

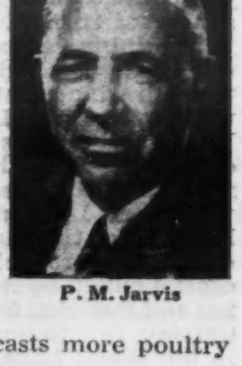
Leasing of passenger automobiles and trucks on a long-term basis is also on the upsurge. Many companies are freeing themselves of the myriad of troublesome responsibilities of owning fleets of vehicles by leasing them instead. There are indications in the industry that this phase of the business will receive heightened promotion in the year ahead, and results should develop accordingly.

Lastly, one additional important development in the industry promises to add to its health. That is the increased travel abroad. The coming of commercial jet planes and decreasing costs of foreign travel have combined to put travel abroad within the reach of many more people than heretofore. Some effects of this trend are already visible, and there is every indication that it will become an increasingly significant part of the business in the years ahead.

PORTER M. JARVIS

President, Swift & Company

The meat industry's 1959 outlook is encouraging from the standpoint of prospects for greater production of meat as the result of increased supplies of livestock coming to market. If government forecasts are borne out, most of the increase is expected to be in pork. The number of hogs marketed during the calendar year may be up about 12% compared with 1958.



P. M. Jarvis

There is some indication of larger beef supplies later in the year based on expanded cattle feeding. Feed supplies are abundant and demand for feeder cattle has been exceptionally strong. This should result in more marketings of fed beef next spring, but this may be offset in part by continued withholding of cattle for herd building purposes.

The number of sheep and lambs on farms also is expected to increase, resulting in greater supplies of lamb at market. The government also forecasts more poultry and egg production in the coming year.

The supply outlook is good news for consumers and for the food industry in general. With steadily expanding population, consumer demand for food should continue strong. This was a significant feature of the economic recession through which the country passed late in 1957 and during the earlier months of 1958 when there was no evidence of a let-up in demand for food.

However, the food industry faces increasing costs all along the line, requiring continuing effort toward more efficient operation. Great progress has been made in

improving the processing and distribution of food from market to dining table. More progress is certain to come as the natural result of intense competition in our industry.

Consumers seek convenience and this is what the food industry must give them. This means convenience in kinds of products, packages, ease of preparation in the home, market location, arrangement and product display. We can look for continuation of the emphasis on convenience. In all our activities pleasing the consumer must be the first objective.

During 1959 we expect to place into operation a new, completely modern meat packing plant at Wilson, N. C., which will enable us to serve that area of the nation better than ever before. We expect to continue our modernization and rebuilding program, increasing capital expenditures to provide the facilities required for the best kind of service to our customers and the nation's consumers.

Through the years, we have allocated substantial funds to research and advance planning in the development of new products, new services and greater processing and distribution efficiency. We intend to continue this forward looking program because of the importance which we attach to it. The earnings of the meat packing industry are relatively small in relation to the volume of products processed but it is vital, nevertheless, that sufficient funds be devoted to activities which ultimately mean greater service to the nation as a whole.

WAYNE A. JOHNSTON

President, Illinois Central Railroad

The upturn in the economy during the latter part of 1958 is reflected in improved earnings for the Illinois Central. This will result in net income for 1958 being slightly better than in 1957. Present indications are that Illinois Central net income for 1958 will be about $16 million, or $5.14 per share. This compares with net income for 1957 of $15,744,000, or $5.06 per share, based on 3,111,775 shares outstanding.

Wayne A. Johnston

Operating revenues for 1958 are estimated at about $262 million compared with $289,700,000 in 1957. Operating expenses for the year will be about $209 million, as compared with $228,400,000 in 1957.

A gradual improvement in traffic during 1959 should improve the showing of the Illinois Central; however, wage increases granted Nov. 1, 1958, will increase labor costs in 1959 by $4,800,000. This cost, plus increased payroll taxes together with a larger work force in 1959, will increase expenses overall by about $6 or $7 million. It is estimated that Illinois Central revenues in 1959 will be about $272 million, and expenses for the year about $214 million. After allowing for increased expenses and taxes, the Illinois Central is expected to have a net income in 1959 about the same as in 1958, or $16 million.

An increase in carloadings of slightly less than 5% is predicted for 1959. Carloadings in 1958 will total about 1,767,000 cars. Carloadings in 1959 are estimated at 1,848,400 cars.

Working capital at the close of 1958 is estimated to be about $45,500,000, a working capital ratio of 2.35%. It is estimated that by Dec. 31, 1959, working capital will be about $50 million, a ratio of 2.47%.

Inventory, which amounted to nearly $20 million at the close of 1957, will be brought down to approximately $16 million as of the end of 1958 and to an estimated $14 million as of Dec. 31, 1959.

Capital expenditures for 1958 will amount to about $24,700,000. For 1959 such planned expenditures will amount to approximately $23,250,000, of which $6,150,000 will be for roadway improvements and $17,100,000 for equipment. The new equipment will include 1,000 50-ton boxcars, 500 70-ton coal hopper cars, 50 70-ton covered hopper cars, 50 70-ton flatcars, 100 50-ton bulkhead flatcars, 200 50-ton automobile cars. Also 50 70-ton hopper cars will be converted for woodchip loading and 150 boxcars for specialty loading of various types.

With the addition of 20 diesel locomotives to be delivered in December, the Illinois Central will be 100% dieselized in all its operations on the basis of present traffic and will have sufficient equipment of this type to carry on an efficient shopping program. These locomotives will enlarge the Illinois Central fleet to 396 freight and 172 switching diesels. The railroad also has 42 passenger diesels in service, making a grand total of 610 diesel locomotive units. All freight cars, except for the 50 covered hoppers, will be built in the Illinois Central's own car shops.

Roadway improvements include the installation of 65 miles of new rail at a cost exceeding $535,000, track improvements at Stuyvesant Docks (New Orleans) at a cost of $250,000, shop and roadway machines which will cost $1,600,000, improvements to bridges, trestles and culverts costing in excess of $1 million, and the acquisition of property for industrial development costing more than $600,000, in addition to other improvements. Of the total expenditures of about $17 million for equipment, approximately $11,700,000 will be financed by equipment trusts.

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THOMAS ROY JONES

President, Daystrom, Incorporated

The electronics industry enters the new year with confidence and optimism. I believe 1959 will see us more than hold our own as the nation's major growth industry. This outlook is, of course, predicated on the economy of the whole nation for while the recession left scars which will take time to heal, it is now evident that the country is on its way out of the short but steep recession which had such a telling effect on 1958 sales and earnings. The recovery still has a long way to go, but its pace has been moderate and its tone generally healthy so that we should be able to look forward to the next twelve months as a period of good, though not spectacular, business.

Thomas Roy Jones

During the year just ended our industry, as a whole, fared better than most. Electronics production climbed to an all-time high for factory sales of $7.7 billion, a $100 million increase over the 1957 total. Most of this increase was spurred by the military's application of electronics. Last year, production of military electronics accounted for more than $4 billion of the total electronics output, with consumer and industrial production making up the difference.

As for what is ahead, there is every indication that 1959 will be another banner year for the electronics industry. We look forward to a continuation of the trend which, since 1939, has seen the country's electronic output increase four times as fast as the GNP. Undoubtedly, the military will again pace the field this year as we begin to feel the effect of the speed-up in the defense program. It appears that the 1959 output of military electronics will be about 16% above that for the period just ended. Commercial and industrial electronics should also experience gains of about the same percentage.

It is my firm belief that 1959 will bring us really significant advances in the exciting new field of computer control for industrial processes. Only now are we in a position to see the coming of automation in its true form, that is, the use of computers to replace human decisions on how a process or production operation should be conducted. Such controls are now developing so rapidly there is good reason for us to believe that this will be the year in which the new method proves itself. The potential for electronics in this area is tremendous and our main effort now must be directed at reducing costs to a point where we can make systems engineering economically available to ever-broadening segments of industry.

I indulge in no wishful thinking when I say that almost every process operation such as chemical, petrochemical, power, steel or similar facility will be operated by computer process control before the completion of the life expectancy of present equipment. The adoption of such systems by industry will make it possible to run entire plants at optimum conditions. By conserving material, fully utilizing equipment, and delivering product quality, quantity and uniformity heretofore unattainable by human control, the adoption of complete control systems will provide a valuable adjunct for industry in maintaining an economic balance between costs and profits. They will have a stimulating effect on our whole economy.

DWIGHT P. JOYCE

Chairman of the Board and President, The Glidden Company

During the past year The Glidden Company has taken a number of steps to make it a sounder and stronger organization, and we anticipate that 1959 will be a year of further growth and improvement in every division.

In our Paint Division, which operates 14 manufacturing plants throughout the United States and Canada, sales during 1958 represented an all-time high, and there is already a strong indication that the record for 1959 may be even better.

Dwight P. Joyce

During the year the Paint Division introduced a new Spred Satin latex-emulsion paint which is rapidly finding wide acceptance throughout the country. In the coming year, the division will bring out a new line of premium pleasure boat finishes, a new latex-emulsion floor paint, and a polyester resin coating for new construction which simulates ceramic tile. Other new products scheduled for test marketing in 1959 are an emulsion house paint, a variety of metal decorating coatings and several new resins for industrial uses.

Marketing of industrial emulsion finishes was intensified during the past year, and these finishes are being more widely used on a number of automobile parts. There are, in fact, many cars now being tested on the road which are completely finished with emulsion coatings, and we believe this segment of our business will expand considerably in this coming year.

Our Durkee Famous Foods Division's position as a basic supplier of ingredient materials to the food and allied industries was substantially strengthened during 1958, largely through our concentration on the development of specialized markets and products. A typical example of this activity was the development of a new emulsifier which has been enthusiastically received in the baking field. This product represents the most important baking emulsifier development within the past 20 years and it has permitted many improvements to be made in shortenings for prepared mixes and bakery items. A number of additional edible oil products were launched under the Durkee label during 1958, and we anticipate that production volume will be expanded as new markets are created for these products in 1959.

A major reorganization program was completed in 1958 within the Durkee Division with the opening of our new coconut and condiment plant at Bethlehem, Pa. This new facility incorporates the most modern, high-speed processing and packaging equipment available, and we fully expect that divisional earnings in 1959 will reflect the efficiencies obtained from this equipment.

During 1958 Glidden's Chemical-Pigments-Metals Division brought into full production a new multi-million dollar titanium dioxide plant at Baltimore, Md. The plant incorporates the most modern processing equipment available and is one of the top facilities of its kind in the nation.

Also in 1958 this division brought out an improved type of titanium pigment for industrial finishes and intensified research on products for the papermaking industry. To accommodate the increasing demand for its products, the division has doubled its manpower in both sales and technical service.

Glidden's Organic Chemical Division, which produces a variety of products for the perfume, cosmetic and flavoring industries, experienced substantial growth during 1958. A new $3,400,000 plant at Port St. Joe, Fla., was completed and opened in the middle of the year, and construction was started on a $2,000,000 plant at Jacksonville to manufacture laevo-menthol, a product used principally in tobacco, proprietary drug and confection items. This facility, scheduled to open in 1959, will be of a sufficient size to supply approximately 40% of the United States requirements for this important flavoring commodity and will greatly strengthen Glidden's position in the flavoring field.

During the year important strides were made by this division toward expanding its line of terpene aromatic chemicals, and research and patent work in this field was increased. The division successfully introduced synthetic geraniol to the essential oil trade, and this product, along with other synthetic terpenes produced by this division, has found a relatively large volume market as an ingredient material for soaps and detergents, cosmetics and toiletries, and industrial deodorants.

As The Glidden Company moves more strongly into the chemical industries, the results of research and development activities have become more vital to its future success. To this end, research expenditures were substantially increased in 1958 and several specialized, long-range projects were initiated in the Glidden laboratories and in outside research institutions which are expected to contribute measurably to the firm's continued growth and success.

All in all, 1958 was a good year for The Glidden Company, and the outlook for 1959 is favorable.

FREDERICK R. KAPPEL

President, American Telephone & Telegraph Company

The Bell System made large gains in service in 1958. While the rate of telephone growth slowed temporarily in the early months of the year, it turned upward again in the summer and the increase in telephones for the full year will be not far from 2½ million.

Long distance conversations have totaled about 5% more than in 1957.

Frederick R. Kappel

Earnings of the System in 1958 have been running ahead of 1957 and we expect this improvement will be further reflected in the full year's results. Important factors in earnings progress have been increased efficiency in operations, increases in telephone rates in some states, and broadening effort to promote and sell what we believe is more and more useful and attractive service.

To expand telephone facilities and continue our program of service betterment, the Bell companies spent $2.2 billion this past year for construction. We embarked on this very large program a year ago with confidence that the need for telephone services would continue to grow, and experience has justified this expectation. In 1959, for the fourth consecutive year, we expect to spend more than $2 billion for construction. Construction on this scale is necessary, it helps employment, and it has a good effect on the economy generally. Last year for example, Western Electric, the Bell System's manufacturing and supply organization, paid more than a billion dollars to some 37,000 subcontractors and suppliers, most of them small businesses.

In January, 1959, we shall introduce the Call Director, a new telephone which we consider the most convenient and flexible instrument ever provided for business use.

We shall continue to urge against the Federal excise tax on telephone service which is paid directly by telephone users. This is one of the most discriminatory of all taxes—in fact telephone service is the only household utility that is so taxed. Yet proposals have been made which if enacted into law would permanently embed telephone excise taxes in both Federal and state tax structures. We believe this course would be wrong in every respect. When the Federal tax laws are revised, the telephone excise should be repealed, not perpetuated.

As is generally known, the A.T.&T. Company has announced that it will propose a three-for-one stock split at the annual meeting of share owners on April 15. The reasons for this proposal were stated at the time of the announcement. If it is approved, it is expected that the first quarterly dividend on the split shares will be paid in July at the rate of $0.82½ a share, which would be an annual rate of $3.30 per share. As always, it will be our continuing policy and effort to safeguard the interests of our share owners who now number more than 1,600,000.

WILLIAM G. KARNES

President, Beatrice Foods Co.

Looking ahead through 1959, the American consumer can anticipate a continuing abundance of food supplies at prices little if any higher than those of the past year. Only a prolonged drought can alter this prospect. The year 1958 was a banner year for agricultural production. It will go into the records as one of the most favorable crop years of the present century.

Wm. G. Karnes

Consumer purchasing power should be sufficient on the whole to enable the population to enjoy the prospective food abundance. Nevertheless, it should be realized that continually advancing costs in many directions convey a persistent threat to *real* purchasing power as distinguished from *dollar* purchasing power. There is hope that increasing public awareness of this peril will serve as its most effective deterrent. The dairy industry continues to provide nutritive values of the highest order at a level of costs that is among the lowest of all the major food categories. The steadily expanding per capita consumption of cottage cheese, for example, is a recognition of the merits of the low-cost high-protein dairy food. Over the past five years our average selling price for milk, per quart, has remained practically level. Our average butter price has declined from a base of 100 in 1954 to 94 in 1958. Our average egg prices have declined from a base of 100 in 1954 to 79 in 1958.

This has been accomplished in the face of steadily rising costs, and is the result of greatly increased efficiency by the processor, the distributor, and the farmer. Our company and countless other food processors and distributors have made tremendous efforts during the last ten years to overcome steadily mounting costs, which have resulted in a remarkable improvement in processing and distributing efficiency.

Farmers have received scant recognition of the fact that they are selling milk today at approximately the same price they received in 1947-49 period. Dairy farms are growing larger and more efficient with most of their operations mechanized to save labor costs. Improved dairy cows are yielding considerably more milk per animal. Feed is being used more efficiently and economically.

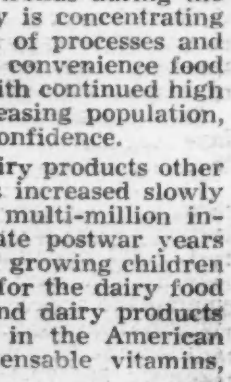
On a near term basis, there does not seem to be anything that will materially alter these trends during the coming months of 1959. Our company is concentrating much of its research on improvement of processes and methods, and we have added nondairy convenience food items with better margins of profit. With continued high consumer purchasing power and increasing population, we look to the future with complete confidence.

On the whole the consumption of dairy products other than butter on a per-person basis has increased slowly but steadily since the last war. The multi-million increase in babies born in the immediate postwar years has become an enormous population of growing children with correspondingly increased needs for the dairy food by which they grow. Because milk and dairy products provide three-fourths of the calcium in the American diet and large proportions of indispensable vitamins, they have no substitute.

W. C. KEELEY

President, Vanadium Corporation of America

The steel industry closed 1958 on an encouraging note, with operations at about 76% of capacity and with demand from many of the industry's most important customers on the upswing. The construction, appliance, machinery, farm implement and automotive industries have increased their buying. Demand from the automotive industry especially has risen in recent months following good public reception of new models.



W. C. Keeley

In prospect also is the probability that customer inventories will be built up above their present low levels as demand quickens and lead time for delivery of steel orders lengthens. Such a policy on the part of steel users, as opposed to the inventory liquidation program pursued during most of 1958, could serve to boost the steel demand beyond an actual rise in consumption.

Current estimates on 1959 steel production, barring a steel strike, range between 108 and 115 million tons which would be just short of the record output of 1955. With the increase in total steel demand

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Text of President's State of the Union Message to Congress

drastically reduce these non-productive expenditures.

II

The material foundation of our national safety is a strong and expanding economy. This we have—and this we must maintain. Only with such an economy can we be secure and simultaneously provide for the well-being of our people.

A year ago the nation was experiencing a decline in employment and output. Today that recession is fading into history, and this without gigantic, hastily-improvised public works projects or untimely tax reductions. A healthy and vigorous recovery has been under way since last May. New homes are being built at the highest rate in several years. Retail sales are at peak levels. Personal income is at an all-time high.

Defense Outlays to Remain High

The marked forward thrust of our economy reaffirms our confidence in competitive enterprise. But — clearly — wisdom and prudence in both the public and private sectors of the economy are always necessary. Our outlook is this: 1960 commitments for our armed forces. The Atomic Energy Commission and military assistance exceed $47,000,000,000. In the foreseeable future they are not likely to be significantly lower. With an annual population increase of 3,000,000, other governmental costs are bound to mount.

After we have provided wisely for our military strength, we must judge how to allocate our remaining government resources most effectively to promote our well-being and economic growth.

Federal programs that will benefit all citizens are moving forward.

Next year we will be spending increased amounts on health programs; on Federal assistance to science and education; on the development of the nation's water resources; on the renewal of urban areas; and on our vast system of Federal-aid highways.

Each of these additional outlays is being made necessary by the surging growth of America.

Let me illustrate. Responsive to this growth, Federal grants and long-term loans to assist 14 major types of capital improvements in our cities will total over $2,000,000,000 in 1960—double the expenditure of two years ago. The major responsibility for development in these fields rests in the localities, even though the Federal Government will continue to do its proper part in meeting the genuine needs of a burgeoning population.

But the progress of our economy can more than match the growth of our needs. We need only to act wisely and confidently.

Here, I hope you will permit me to digress long enough to express something that is much on my mind.

The basic question facing us today is more than mere survival—the military defense of national life and territory. It is the preservation of a way of life.

We must meet the world challenge and at the same time permit no stagnation in America.

Unless we progress we regress.

We can successfully sustain security and remain true to our heritage of freedom if we clearly visualize the tasks ahead and set out to perform them with resolution and fervor. We must first define these tasks and then understand what we must do to perform them.

Long-Term Planning Essential

If progress is to be steady we must have long-term guides extending far ahead, certainly five, possibly even 10 years. They must reflect the knowledge that before the end of five years we will have a population of over 190,000,000. They must be goals that stand high, and so inspire every citizen to climb always toward mounting levels of moral, intellectual and material strength. Every advance toward them must stir pride in individual and national achievements.

To define these goals, I intend to mobilize help from every available source.

We need more than politically ordained national objectives to challenge the best efforts of free men and women. A group of selfless and devoted individuals, outside of government, could effectively participate in making the necessary appraisal of the potentials of our future. The result would be estabilshed national goals that would not only reflect the brightness of our finest dreams, but would meet the stern test of practicality.

Composition of Committee

I plan a committee comprised of educators and representatives of labor, management, finance, the professions and every other kind of useful activity.

Such a study would update and supplement, in the light of continuous changes in our society and its economy, the monumental work of the committee on recent social trends which was appointed in 1931 by President Hoover. The new committee would be concerned, among other things, with the living standards of our people, their health and education, their better assurance of life and liberty and their greater opportunities. It would also be concerned with methods to meet such goals and what levels of government—local, state, or Federal—should be particularly concerned.

As one example, consider our schools, operated under the authority of local communities and states. In their capacity and in their quality they conform to no recognizable standards. In some places facilities are ample, in others meager. Pay of teachers ranges between wide limits, from the adequate to the shameful. As would be expected, quality of teaching varies just as widely. But to our teachers we commit the most valuable possession of the nation and of the family—our children.

We must have teachers of competence. To obtain and hold them we need standards. We need a national goal. Once established I am certain that public opinion would compel steady progress toward its accomplishment.

Such studies would be helpful, I believe, to government at all levels and to all individuals. The goals so established could help us see our current needs in perspective. They will spur progress.

Must Have Fiscal Integrity

We do not forget, of course, that our nation's progress and fiscal integrity are interdependent and inseparable. We can afford everything we clearly need, but we cannot afford one cent of

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and output should come a proportionate increase in demand for alloy steel.

Expansion of steel output carries with it an implicit need for alloy steel tools and dies with which to work the expanded tonnages. The expected increase in automotive output is a good omen for the alloy steel industry not only because automobiles utilize substantial quantities of alloy and stainless steel, but because a great deal of alloy steel is used in tools and dies for their manufacture. The same is true for the appliance, machinery and farm implement industries, among others, all of which are expecting improved business in 1959. In addition, demand for heat-resisting stainless steels and high temperature alloys should grow in line with increased production of gas turbines, missiles, supersonic aircraft and atomic reactors.

Even more than in the case of over-all steel production, alloy steel probably will benefit from the switch from liquidation to accumulation of inventories. Moreover, since alloy steel inventories were slashed more extensively in 1958 than were carbon steel holdings, they should be rebuilt at a faster rate.

Vanadium Corporation of America should participate in the brighter prospects expected for the alloy steel industry in 1959. The Company is a major supplier of alloys to the industry. It has largely completed an extensive modernization program over the last several years which provides it with a capacity sufficent to meet increased demands for alloys. The new production facilities are among the most modern, efficient, and lowest cost in the industry. In addition, Vanadium Corporation should benefit from a number of new and improved products developed in the company's Cambridge, Ohio research center. These new products permit the company to fill the alloy steel industry's increasingly exact requirements.

RUFUS CROSBY KEMPER

President and Chairman of the Board, City National Bank & Trust Co., Kansas City, Mo.

There has been a revival of consumer optimism and confidence since early summer. General business conditions have greatly improved and most businessmen and bankers are predicting continued improvement in 1959. Some danger signals appear on the horizon in the form of continued inflationary trends and rising prices. The unbalanced Federal budget is also cause for concern. Because of increasing costs, foreign competition is becoming more apparent daily.


R. C. Kemper

On account of splendid agricultural and cattle conditions, the midwest area has been extremely prosperous and undoubtedly this prosperity will continue into the New Year. Various construction projects should be a sustaining force in 1959 with public works, industrial building and home construction all active. Corporate profits should rise in the coming months, encouraging more business spending for inventories and for plants and equipment.

Retail sales have been rising and Christmas sales undoubtedly were much larger than last year. Under these constructive influences, unemployment should decrease during the early months of the New Year.

Bankers are closing a prosperous year and with deposits up throughout the midwest and an active demand for loans at favorable rates, the New Year should be a good one for the profession. Excellent rates of short term governments and municipals should also help banking profits. From all indications, both bankers and businessmen can view the short term future confidently and look forward to a continuing prosperity.

R. LEE KEMPNER

Chairman, Executive Committee, United States National Bank, Galveston, Texas

When one talks or writes on the subject of "What's ahead for business in 1959," it may be well for him to realize that a prophet is not without error in any country. But in the "business climate" of today there are some portents of precipitation from the fiscal skies of 1959.


R. Lee Kempner

The demands of labor continue to be chilling in their influence on the cost of living. Industry attempts to overcome dampening of profits by passing increased costs on to the consumer. But warmth of such offsetting garments is becoming threadbare; at best leaving our nationwide economy on slippery ice of inflation.

It is futile to advance class-interests and self-interests without regard to our nationwide progress and world-wide status. Otherwise we play into the aims and plans of competitive and especially hostile nations. Weakening our economic status is eagerly sought by several of our enemies and becomes more damaging to our national interests and aims than the threat of war.

We must hope and act so that we shall, in 1959, nationwide, "see the economic panorama as a whole, not as fragmentary political episodes or party strategy."

We inherit in 1959 grave problems in the attitude, propaganda and schemes of communistic nations. Their shrewd diplomats seek to undermine our economic progress, to create class friction within our borders and to stimulate excessive and menacing expenditures by us as a nation; by our industries and individuals.

To make the pattern of following years, we shall need in 1959, in all ranks, cessation of seeking individual or class benefits, government subsidies, bonuses, grants, etc. At the close of 1958 the barriers on the road to socialism are down and we are treading that road rather recklessly.

Quoting Professor Jacoby of the University of California, "What the American people plainly want is full employment and production, without inflation, and in a free economy."

With the present normal increase in population, employment obviously will be increased only if the returns of industry are rewarding; and neither business, the source of employment, nor labor, dependent on employment should be penalized by the power of any class to enforce demands that are destructive of a balanced budget in public or private ventures. "The fault lies not in our stars but in ourselves"; so does the remedy.

D. S. KENNEDY

President, Oklahoma Gas and Electric Company

The continuing growth trend for electric utilities looks promising for 1959. Electricity provides an economical service for modern industry and the American home and our entire economy is geared to this service. The general business outlook for our country appears good for 1959 and electric utilities will continue to share in this increased production.


Donald S. Kennedy

The outlook for electric utilities in the Southwest is very encouraging. With the expansion and diversification of industry has come a great trend toward decentralization. Our part of the United States offers a very favorable atmosphere for this expansion. Labor is productive, tax structures are favorable and the area has available abundant power and fuel resources.

In our own immediate service area, which includes much of Oklahoma and a part of Western Arkansas, we expect a good year for 1959. Oklahoma produced a bumper wheat crop in 1958, pastures are good and cattle prices are high. Therefore, the agricultural economy of the area is good. New and important industries are coming into the area and old established firms are making important expansions. Some of the recent additions are as follows:

Western Electric broke ground at Oklahoma City last month for the construction of a $35 million plant on a 210-acre site, which will have 1,300,000 sq. ft. or 30 acres of floor space. The plant will employ 4,000 or more workers in the production of long distance switching equipment for the Bell Telephone system. Western Electric has had in operation in Oklahoma City a pilot plant for more than a year, training key personnel.

Callery Chemical Company has completed the first section and begun operation of its plant at Muskogee, Oklahoma for the production of high-test fuel for naval aviation and missiles. Gulf Oil Corporation has an interest in the project. Callery has purchased over 1,000 acres for expansion and it is expected that this project will add materially to the industrial economy of Eastern Oklahoma.

The Oklahoma branch of the Ideal Cement Company at Ada, Oklahoma, is doubling its output. This plant employs 400 workers; produces more than 22 million sacks of cement yearly. The Company has an unlimited supply of limestone nearby, which it transports to the plant on a new conveyor belt five and one-half miles long. When completed, this will be the longest permanent conveyor belt in the world.

Other important new industries or expansions in our service area include the following: The Blue Bell Manufacturing Company, largest manufacturer of work clothing, is establishing plants in Ada, Oklahoma and four other communities and will employ 2,000 workers; Seamprufe Company, manufacturer of lingerie, is establishing a plant in Ratcliff, Arkansas, to employ 500 persons; Landers, Frary and Clark, the veteran manufacturers of Universal home appliances, has purchased a plant at Fort Smith, Arkansas; Dixie Cup Company, a division of American Can, is enlarging its plant in Fort Smith, Arkansas; the Civil Aeronautics Administration has established a $20 million center in Oklahoma City for the training of personnel, the assembling and testing of control equipment and the maintenance of its aircraft. The center now employs about 2,000 persons. Other companies, which have expanded their Oklahoma operations recently, are the U. S. Gypsum Company, the Container Corporation of America, Fairchild Aircraft, Pillsbury Mills, Aero Design and Engineering, Fansteel Metallurgical Corporation and Arkansas Container Corporation.

According to studies by the United States Chamber of Commerce, every 100 new jobs create 74 additional jobs in retail establishments, services, utilities and other fields. Therefore, we feel quite optimistic over the outlook in our service area. In addition to this favorable industrial growth, we know that people are living better electrically. The increased use of modern electrical appliances is continuing and the use of electrical heating is gaining wider interest and acceptance. We estimate that our overall sales for 1959 will be about 9% above 1958. This is approximately the same increase as last year.

ALLEN S. KING

President, Northern States Power Company

Northern States Power Company again in 1958, and for the twenty-fifth consecutive year, enjoyed an increase in annual operating revenue. As was expected and forecast at this time last year, the rate of growth was somewhat retarded from that of the previous year, thus reflecting the general trend in business. In the past the ups and downs of the business cycle in this area have usually been less pronounced than for the country as a whole, and the recent downward trend seems to have followed the same pattern.


Allen S. King

Total kilowatt hour sales in 1958 were approximately 3.5% greater than in 1957. We believe that the warm winter, cool summer and warm fall affected kilowatt hour sales as much as the recession. This increase compares with 7.4% for 1957 over 1956 and an average of about 7.6% for the period from 1951 to 1957. However, it is significant that our increase in kilowatt hour sales in 1958, small as it was, was substantially greater than that of the nation as a whole.

The relative stability is due, of course, to the wide diversification in industry and to agriculture and agricultural products which constitute an important element in the economic welfare of our service area. The energy requirements for the manufacture of food and related products, general manufacturing, offices and retail trade continued to increase at normal rates throughout the year. The major categories which had slow growths and declines were in lumber and building materials, electric and other machinery, and steel and iron products.

The trend in our commercial and power sales turned upward in August and September. Energy requirements for food products continue to grow. The requirements of some of the other major industries are also growing, some still remain static, and yet others such as lumber, electric machinery, steel and iron are still showing declines although at slower rates than previously.

The national economy is on the upgrade and our local economy is moving upward simultaneously. We expect the upward trend to continue. There are many favorable signs. Economic indicators in the area lead to optimism. Both the agricultural and nonagricultural economy appear to be gaining momentum. Housing construction as measured by housing starts, which has lagged for more than a year, is now nearing a record high. In 1959 we expect to add about 14,000 residential customers, about the same number as added in 1958. Public construction is beginning to move at a faster pace. We believe that for the next few months the recovery will be definite and real although it may not reach a normal rate of economic growth until the latter part of the year. Nevertheless, all signs confirm that 1959 will be a year of substantial growth, the beginning of a period of continuing recovery, a year of gathering economic momentum to become the foundation of a broad expansion in the early sixties.

Our forecasts lead to confidence in the future of our service area. In order to keep ahead of the increasing demand for our services we expect to spend $223 million on new construction in the next four years. This includes two 156,000 kilowatt generating units, one to go into service this year at the High Bridge plant in St. Paul and one in 1960 at Black Dog plant south of Minneapolis. The research and development work on the 66,000 kilowatt atomic energy plant to go into service near Sioux Falls in 1962 is proceeding on schedule.

Our business has been doubling about every ten years, about the same as the national average, and we expect it to continue at about the same pace.

MAXWELL C. KING

President, Pacific Finance Corporation

Forecasts of increased automobile sales, estimated by industry leaders at 10% to 15% over 1958, and an expected growth in other applications of instalment credit improve the outlook for the sales finance industry in 1959. Consumer confidence appears to have been restored with the strengthening of economy in recent months. There is a renewed willingness to buy which, coupled with a continued expansion in consumer income and a carryover of unsatisfied needs from the recession period, should bring increased sales not only of automobiles, but of household furnishings and other durables as well.


Maxwell C. King

Other factors which should help make 1959 a good, though not a record year in passenger car sales are the excess of repayments of automobile contracts over new credit purchases during the last year, a continued increase in the number of two-car families, and the high rate of scrappage, now estimated at around 4½ million cars a year.

Completion of instalment payments for automobiles in the first ten months of 1958 exceeded new credit purchases by nearly $1¼ billion. It was the first "minus" year for new credit extension since 1954 and the drop in consumer debt for automobiles was the largest since 1950. A reasonable proportion of customers who com-

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waste. We must examine every item of governmental expense critically. To do otherwise would betray our nation's future.

We must avoid any contribution to inflationary processes, which could disrupt sound growth in our economy.

Prices have displayed a welcome stability in recent months and, if we are wise and resolute, we will not tolerate inflation in the years to come. But history makes clear the risks inherent in any failure to deal firmly with the basic causes of inflation. Two of the most important of these causes are the wage-price spiral and continued deficit financing.

Inflation would reduce job opportunities, price us out of world markets, shrink the value of savings and penalize the thrift so essential to finance a growing economy.

Inflation is not a Robin Hood, taking from the rich to give to the poor. Rather, it deals most cruelly with those who can least protect themselves. It strikes hardest those millions of our citizens whose incomes do not quickly rise with the cost of living. When prices soar, the pensioner and the widow see their security undermined, the man of thrift sees his savings melt away; the white collar worker, the minister, and the teacher see their standards of living dragged down.

Inflation can be prevented. But this demands statesmanship on the part of business and labor leaders and of government at all levels.

We must encourage the self-discipline, the restraint necessary to curb the wage-price spiral and we must meet current costs from current revenue.

To minimize the danger of future soaring prices and to keep our economy sound and expanding, I shall present to the Congress certain proposals.

Will Submit Balanced Budget

First, I shall submit a balanced budget for the next year, a year expected to be the most prosperous in our history. It is a realistic budget with wholly attainable objectives.

If we cannot live within our means during such a time of rising prosperity, we help make it difficult for every family in our land to do so. But to live within our means would be a tangible demonstration of the self-discipline helpful in assuring a stable dollar.

The Constitution entrusts the Executive with many functions, but the Congress—and the Congress alone — has the power of the purse. Ultimately upon Congress rests responsibility for determining the scope and amount of Federal spending.

By working together, the Congress and the Executive can keep a balance between income and outgo. If this is done there is real hope that we can look forward to a time in the foreseeable future when needed tax reforms can be accomplished.

In this hope, I am requesting the Secretary of the Treasury to prepare appropriate proposals for revising, at the proper time, our tax structure, to remove inequities and to enhance incentives for all Americans to work, to save, and to invest. Such recommendations will be made as soon as our fiscal condition permits. These prospects will be brightened if 1960 expenditures do not exceed the levels recommended.

Would Veto Appropriations

Second, I shall recommend to the Congress that the Chief Executive be given the responsibility either to approve or to veto specific items in appropriations and authorization bills. This would save tax dollars.

Third, to reduce Federal operations in an area where private enterprise can do the job, I shall recommend legislation for greater flexibility in extending Federal credit, and in improving the procedures under which private credits are insured or guaranteed. Present practices have needlessly added large sums to Federal expenditures.

Fourth, action is required to make more effective use of the large Federal expenditures for agriculture and to achieve greater fiscal control in this area.

Outlays of the Department of Agriculture for the current fiscal year for the support of farm prices on a very few farm products will exceed $5,000,000,000. That is a sum equal to approximately two-fifths of the net income of all farm operators in the entire United States.

By the end of this fiscal year it is estimated that there will be in government hands surplus farm products worth about $9,000,000,000, and by July 1, 1959, government expenditures for storage, interest and handling of its agricultural inventory will reach a rate of $1,000,000,000 a year.

New Farm Legislation

This level of expenditure for farm products could be made willingly for a temporary period if it were leading to a sound solution of the problem. But unfortunately this is not true. We need new legislation.

In the past I have sent messages to the Congress requesting greater freedom for our farmers to manage their own farms and greater freedom for markets to reflect the wishes of producers and consumers. Legislative changes that followed were appropriate in direction but did not go far enough.

The situation calls for prompt and forthright action. Recommendation for action will be contained in a message to be transmitted to the Congress shortly.

* * *

These fiscal and related actions will help create an environment of price stability for economic growth. However, certain additional measures are needed.

Would Amend Employment Act

I shall ask Congress to amend the Employment Act of 1946 to make it clear that government intends to use all appropriate means to protect the buying power of the dollar.

I am establishing a continuing cabinet group on price stability for economic growth to study governmental and private policies affecting costs, prices, and economic growth. It will strive also to build a better public understanding of the conditions neces-

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pleted their car payments last year may be expected to re-enter the market in 1959 along with many who held off buying in 1958 because of the recession, although they had paid out their contracts the previous year.

Growing population, the striking development of suburban life and greater consumer income had increased the number of two-car families from 2 million in 1949 to 7.3 million early in 1958 and it appears that the trend will continue through 1959. The number of families in need of a second car has been estimated at 13 million, the greatest number, 7.7 million, being in the over $5,000 income range where the ability to buy is greatest.

The automobile sales potential, together with an average increase in unit cost of between 2% and 3%, indicate an increased dollar volume of sales financing in 1959.

The money market appears to be firm and, with improving business conditions, short term rates can be expected to hold or move upward moderately. Improvement in credit losses which began in the second quarter in 1958, are expected to continue in 1959 and operations of well managed companies should be more profitable.

The upward trend of the economy may bring renewed proposals for Federal regulation of consumer credit this year and, while some observers give the introduction of such legislation little chance, the threat remains a serious problem for the industry. The record of credit fluctuation in parallel with the general economy speaks for the wisdom of consumers in not tending to overextend themselves. If credit controls are ever to be in order and be logical and effective, they must apply with proportionate weight in all segments of the economy rather than on a selective basis.

ALLAN P. KIRBY

President, Allan P. Kirby, Morristown, N. J.

The constantly creeping inflationary threat, with increasing money rates, is not going to be helpful to the economy in 1959. No end to rising wage rates and consequent increased prices is more than an aggravation to the public and, in some instances, could result in a buyers' strike. In fact, it is my opinion that this is not going to be any five and a half to six million car-year and that if the union and labor problems of the past continue to beset us with the same severity in the future, this great country will surely end as a second-rate power, and in the not too far distant future.

Allan P. Kirby

As far as the immediate future—1959 — is concerned it appears that there will be a further expansion of the economy, with resulting greater profits and larger dividends. It seems to me as though we are on a merry-go-round of increasing volume, greater profits and a decreasing dollar value, which, if continued for a long enough time, will result in a final and complete collapse of the economy—not this year or next—but sooner or later, and possibly sooner than any of us realize.

President Eisenhower's determination to balance the budget, if accomplished and continued, can be very helpful if successful but I doubt its accomplishment with a Democratic Congress.

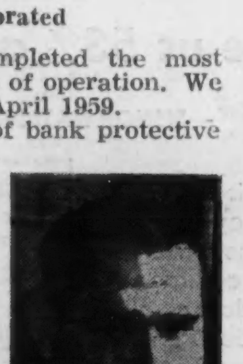
My opinion is that the short-term picture is very rosy but the long-term picture worse than blue. Our mistakes of the past cannot be carried into the future without a complete disintegration of our economy. I hate to contemplate on what is in store for the next generation if the present trend is not reversed—and soon.

RAYMOND KOONTZ

President, Diebold, Incorporated

Diebold, Incorporated has just completed the most successful year in its nearly 100 years of operation. We will celebrate our 100th anniversary April 1959.

Diebold is a leading manufacturer of bank protective equipment and of office systems equipment.



Raymond C. Koontz

Indications are that the expansion of branch banking will continue in 1959 and that a number of banks will either build new headquarters buildings or extensively remodel present headquarters buildings. We have just completed the installation for the United States Trust Company in New York City of the largest commercial bank vault yet built.

In the field of office equipment Diebold specializes in records handling and protection. Our office systems equipment, mechanical filing equipment and point-of-use housing of records equipment are designed to save space, time and motion. The more efficient use of space, time and motion continues to be a major problem of office managers.

We are presently estimating an increase of 10% in our overall sales volume for the year 1959 as compared with 1958.

REMBRANDT P. LANE, JR.

Treasurer, Northeast Airlines

I am certainly not qualified to speak for the entire domestic airline industry other than to make the rather general observation that we are confident that air travel will continue to grow next year and increase its margin over other means of non-automobile transportation. My own off-the-cuff opinion (and it is really nothing more than a guess) would be that the advent of the jets and turbo-props, the ever increasing acceptance and confidence of the public in scheduled airline operations, and the inflationary signs on the horizon should mean a growth factor of at least 15% for the industry in 1959 over this year. Plase appreciate that I am speaking in terms of passenger miles and not necessarily in dollars.

The situation of Northeast Airlines is somewhat different. The entire character of our operation was changed significantly when the Florida extension was awarded to us late in 1956. Thus our growth factor (measured in passenger miles) in 1957 over 1956 was 105.6% and we estimate that in 1958 it will be 64% over 1957. Since we still have not reached full maturity in our new markets, we anticipate a better than industry average expansion in 1959 business over 1958. I would tentatively estimate that the growth factor would be in the vicinity of 35%-40%.

RALPH LAZARUS

President, Federated Department Stores, Inc.

General stability in the price levels of goods sold in department stores and an increase of four to five per cent in department soles over 1958 figures are likely to be the outstanding characteristics of department store business during the first six months of 1959.

Ralph Lazarus

We at Federated Department Stores, Inc. do not attempt to project our forecasts beyond this period. And, incidentally, we lean toward conservative sales forecasts and hope to exceed our predictions. The following comments on the outlook for business in the department store field during the first half of this year reflect this policy of conservatism.

Generally excellent Christmas sales boosted department and specialty store volume well ahead of 1957 which was itself an all-time peak. Retailing, in general, withstood the shock of the early-1958 recession and showed substantial year-end gains.

At the beginning of 1959, the consumer appears to be in a favorable position to buy. Several factors have contributed to this situation. First, there has been a rather rapid recovery in employment and an even more rapid increase in average hours worked per week in industry with a corresponding increase in personal earnings. The fact that personal income declined only slightly during the recession period and has since increased to record levels is another significant factor. Still another is the condition of consumer credit which has resulted as consumers, during most of 1958, paid off their instalment debts at a faster rate than they made new purchases.

In the first half of 1959, we expect the year-to-year gain in department store sales will be greater than the gain recorded in the recent Christmas season because the comparison will be with the relatively low level of sales of early 1958. We anticipate increases of four to five percent over the 1958 sales figures, sufficient to set new records for that season of the year. Sales gains in major electrical appliances and in hard goods as a whole may be somewhat more than the average gain because these sales lagged last year.

During this period we do not expect any significant increase in the price of goods sold in department stores. These prices have been quite stable for the past six years as indicated by the Special Department Store Inventory Price Index prepared by the Bureau of Labor Statistics which shows very little change from 1952 to 1958.

The consumer price index for apparel shows only a one per cent increase in apparel prices between 1952 and 1958. The consumer price index for home furnishings shows a decrease between 1952 and 1958.

This indicates the department store industry has been waging an effective fight against inflationary trends and it is our hope this record will be maintained and extended.

In general we anticipate a steady upward trend rather than an explosive boom. We are likely to have a more moderate rate of climb in production and employment during the first half of 1959 than we witnessed in the rapid recovery from the low point of the recession in early 1958. Recovery will undoubtedly be healthier if steady rather than feverish.

ELLIS LEACH

President, Collins & Aikman Corporation

There are several factors that will influence the success of the woven upholstery fabric industry during the year 1959. Volume is necessarily dependent on the amount of new home construction, by the number of automobiles built, and by the replacement or recovering of upholstered furniture in the home. Indications are that home construction and automobile production will be at a satisfactory level during the coming year. A high level of consumer income, which is generally predicted, means that the public increases its replacement of furniture. Basing a volume prediction on these factors would lead us to believe that our industry's volume will continue at the present level and perhaps better 1958 figures.

Another factor that bodes well for our future are signs that the industry has a growing awareness of the public's desire for more attractive home surroundings. 1959 will undoubtedly reveal a greater effort for more imaginative styling. I do not mean that we are attempting to create obsolescence of the goods sold over past years but rather it will be an effort to fulfill the desires created by such media as television, home service magazines and newspapers. A greater investment in creative talent by the industry appears to be certain.

However, volume alone does not assure a profitable year for the industry. In a field that historically has been over-produced, low markups have too frequently turned a good volume year into one of low earnings. A factor that might offset these favorable factors is a continuation of low quality, low priced fabrics for the furniture industry. Regardless of economic conditions, the merchandising of upholstered furniture at the retail level has been largely that of price. Recently costly adjustments resulting from this policy have been strongly felt by the retail dealer and furniture manufacturer alike. Fortunately the furniture industry is now showing an increasing interest in better quality goods which not only gives the textile manufacturer a higher dollar volume but also a generally better markup. Should a strong trend for these better goods evidence itself during the coming months, the industry could improve its earnings measurably.

Volume in the automotive industry will improve if the forecast of the experts in Detroit is correct in its prediction of higher volume for the '59 models. Quality and markup for automotive fabrics will remain the same. However, volume may be further increased by a trend from vinyl to woven fabrics in the '59 and '60 model cars. Several '59 models have a larger area trimmed in woven fabrics than was true last year.

In such a highly volatile and unpredictable industry as ours, I will only say that we at Collins & Aikman are looking forward to 1959 with cautious optimism.

EDMOND H. LEAVEY

President, International Telephone and Telegraph Corporation

The remarkable growth and technological advances in the electronics and communications fields show no sign of slowing down and it is evident that the year 1959 will be on a higher plane of activity than 1958 for companies in these industries. The expanding role of electronics in defense has given the whole industry impetus. The electronics portion of military weapons and facilities has steadily increased and has become so important that the government now handles electronics under the systems concept, an approach that is also gaining acceptance by commerce and industry.

Edmond H. Leavey

It is now clear than transportation facilities particularly aviation, have outstripped control and communications systems and that these must be brought into phase—a task that will stretch over a decade or more. This area alone will require the services and ingenuity of many thousands of engineers, technicians, managers, and other employees.

There are many active areas in our business. To mention a few, International Telephone and Telegraph Corporation is exploring such interesting fields as solid state physics, where we have developed a process for refining silicon to a state of purity unequaled commercially heretofore; parametric amplification, which extends the communications "reach" in over-the-horizon television and telephony, and the extension of electronics into telephony to increase the capacity of existing systems and make new ones more efficient.

As we look overseas, where ITT's major manufacturing operations and markets exist, the long range picture encourages optimism despite the major clashes of ideologies and acute temporary crises in certain areas. There is a long term rise in the level of sales in most countries abroad and the higher standard of living that is being achieved by many peoples inevitably brings the demand for better, more reliable communications and the increasing application of electronics to industry and day to day life.

We can expect a continued accelerated rate of economic and industrial development on other continents

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sary for maintaining growth and price stability.

Studies are being undertaken to improve our information on prices, wages, and productivity.

I believe all citizens in all walks of life will support this program of action to accelerate economic growth and promote price stability.

III

I take up next certain aspects of our international situation and our programs to strengthen it.

America's security can be assured only within a world community of strong, stable, independent nations, in which the concepts of freedom, justice and human dignity can flourish.

There can be no such thing as Fortress America. If ever we were reduced to the isolation implied by that term, we would occupy a prison, not a fortess. The question whether we can afford to help other nations that want to defend their freedom but cannot fully do so from their own means, has ony one answer. We can and we must, we have been doing so since 1947.

Our foreign policy has long been dedicated to building a permanent and just peace.

During the past six years our free world security arrangements have been bolstered and the bonds of freedom have been more closely knit. Our friends in Western Europe are experiencing new internal vitality, and are increasingly more able to resist external threats.

Won't Countenance Aggression

Over the years the world has come to understand clearly that it is our firm policy not to countenance aggression. In Lebanon, Taiwan, and Berlin — our stand has been clear, right, and expressive of the determined will of a united people.

Acting with other free nations we have undertaken the solemn obligation to defend the people of free Berlin against any effort to destroy their freedom. In the meantime we shall constantly seek meaningful agreements to settle this and other problems, knowing full well that not only the integrity of a single city, but the hope of all free peoples is at stake.

We need, likewise, to continue helping to build the economic base so essential to the free world's stability and strength.

Lauds World Bank and Fund

The International Monetary Fund and the World Bank have both fully proven their worth as instruments of international financial cooperation. Their executive directors have recommended an increase in each member country's subscription, I am requesting the Congress for immediate approval of our share of these increases.

We are now negotiating with representatives of the 20 Latin American republics for the creation of an inter-American financial institution. Its purpose would be to join all the American republics in a common institution which would promote and finance development in Latin America, and make more effective the use of capital from the World Bank, the Export-Import Bank, and private sources.

Private enterprise continues to make major contributions to economic development in all parts of the world. But we have not yet marshalled the full potential of American business for this task, particularly in countries which have recently attained their independence. I shall present to this Congress a program designed to encourage greater participation by private enterprise in economic development abroad.

Combatting Disease Abroad

Further, all of us know that to advance the cause of freedom we must do much more than help build sound economies. The spiritual, intellectual, and physical strength of people throughout the world will in the last analysis determine their willingness and their ability to resist Communism.

To give a single illustration of our many efforts in these fields:

We have been a participant in the effort that has been made over the past few years against one of the great scourges of mankind — disease. Through the mutual security program public health officials are being trained by American universities to serve in less developed countries. We are engaged in intensive malaria eradication projects in many parts of the world. America's major successes in our own country prove the feasibility of success everywhere.

By these and other means we shall continue and expand our campaign against the afflictions that now bring needless suffering and death to so many of the world's people. We wish to be part of a great shared effort toward the triumph of health.

IV

America is best described by one word, freedom.

If we hope to strengthen freedom in the world we must be ever mindful of how our own conduct reacts elsewhere. No nation has ever been so floodlighted by world opinion as the United States is today. Everything we do is carefully scrutinized by other peoples throughout the world. The bad is seen along with the good.

Because we are human we err. But as free men we are also responsible for correcting the errors and imperfections of our ways.

Labor Legislation Program

Last January I made comprehensive recommendations to the Congress for legislation in the labor-management field. To my disappointment, Congress failed to act. The McClellan Committee disclosures of corruption, racketeering, and abuse of trust and power in labor-management affairs have aroused America and amazed other peoples. They emphasized the need for improved local law enforcement and the enactment of effective Federal legislation to protect the public interest and to insure the rights and economic freedoms of millions of American workers. Halfhearted measures will not do. I shall recommend prompt enactment of legislation designed:

To safeguard workers' funds in union treasuries against misuse of any kind whatsoever.

To protect the rights and freedoms of individual union members, including the basic right to free and secret elections of officers.

To advance true and responsible collective bargaining.

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because, as populations abroad push for a better life through industrialization, they will be able, in many instances, to collapse time by adopting proven techniques, methods and products. The European Common Market plan is a significant step in the direction of less inhibited world trade—and this should be of immediate benefit to companies such as ITT which already have plants and sales operations in those markets.

It seems to me that the horizons of electronics and communications are now as limitless as some of the space and missile projects which have captured the public imagination and the headlines. The feat of having an American President's Christmas message to the world relayed from a satellite spinning around the earth every 100 minutes is a symbol of the ever-widening scope of electronics and communications.

G. V. LEECE

President, Gardner-Denver Company


G. V. Leece

Our company is expecting some increase in business in 1959 over the volume of 1958 sales. However, we do not anticipate it will quite reach the level of 1957 sales or earnings.

We anticipate some increase in profits, even though we are of the opinion both materials and labor will show higher costs. These increased profits will come through increased production and plant economies.

HOMER J. LIVINGSTON

President, The First National Bank of Chicago, Chicago, Illinois

The decline in business activity experienced by the nation during late 1957 and early 1958 was the sharpest of the postwar period, but it is significant that the recovery began earlier and progressed more rapidly than was commonly expected. As a result, the economy was rising during most of 1958 although some indicators of business activity at the year-end were still below previous highs.


Homer J. Livingston

The new year begins with improving business conditions in almost every sector. Personal income, which fell only slightly during the recession, has risen substantially and undoubtedly will show further improvement in 1959. Industrial production has been moving upward steadily and should continue higher. Output of nondurable goods, which fell only mildly during the business downturn, is likely to continue gradually upward, while durable goods production probably will rise by a more substantial amount from the depressed level of 1958. Employment should also improve during the year, although the number of jobless will be adversely affected in the early months of the year because of seasonal factors. Unemployment may remain relatively high during 1959 as a result of increasing productivity and a longer workweek which permit output to expand without a similar expansion in employment, and because the labor force is growing each year.

Consumer buying, which accounts for about two-thirds of the total purchases of goods and services in our economy, should rise during the year, reflecting the larger incomes and probable increased use of consumer credit. As much of this increase in spending power will become available for discretionary purposes, it is distinctly possible that a large share of the increase will be spent for durable goods. Business expenditures, accounting for approximately 15 per cent of total buying, are likely to rise as increased sales will require businessmen to restock their shelves. Surveys of spending plans by businessmen for plant and equipment also indicate a slight increase in this important economic area. Spending by federal, state and local governments, which accounts for about 20 per cent of total purchases of goods and services, also is continuing upward. Thus, it appears that 1959 will be characterized by rising business activity and expansion.

The existence of a fairly substantial deficit in the federal budget during a period when business is at a relatively high level and is expanding is one of the most important economic problems that confronts us. A deficit during such periods makes monetary and debt management difficult and creates other serious economic problems. If all segments of the economy moderate their demands on government, the deficit can be reduced and later eliminated. On the other hand, if we consider that the present magnitude of spending is required for our security and welfare, then we should be ready to furnish the revenues necessary to finance these expenditures and thereby eliminate recurring federal deficits. This action would be constructive in strengthening and developing our domestic economy and in preventing a continuous erosion in the purchasing power of the dollar.

The United States, as an important nation in world affairs, has a large obligation to all countries. Keeping expenditures in line with receipts—either by reducing disbursements or increasing tax revenues, or by a combination of both—is fundamental in good fiscal management, especially with improving business. A sound fiscal policy and balanced budget would be evidence to the rest of the world that we are determined to maintain a sound currency. Furthermore, such fiscal management in this country would encourage other countries confronted with the same problems to take decisive action with corrective measures.

J. C. LOFTIS

President, Kraft Foods, Division of National Dairy Products Corp.

By meeting the increasing needs of a growing population with greater efficiency in manufacturing, sales and distribution in 1959, we may expect another year of new and successful achievements for our company. With the addition of new products to our growing line and with strong advertising and merchandising efforts, we hope to capitalize on the demand for high quality foods.


J. C. Loftis

Mindful of current areas of population growth, Kraft shows recognition of the sales potentials in such expanding markets as the West Coast and Canada. The full operation of the new Kraft plant in Buena Park, California, is expected in February, and in Canada plans are now underway for an extensive addition to the Kraft plant at Mount Royal, near Montreal.

Kraft's plans for the introduction of new products is reflected in the expansion of National Dairy's Research and Development Division laboratories at Glenview, Illinois. Enlargement of the laboratories will result in the introduction of several new products now in the testing stage, new packaging developments and certain improvements for existing food items.

With the consolidation of sales territories for greater efficiency, we expect to be able to meet with greater speed the growing requirements for our vast range of food products. We will be able to serve the merchant and consumer everywhere—even in the remotest areas of our new State of Alaska — more rapidly and more fully.

Kraft, like other major food enterprises, may expect its share of the increase in institutional sales in 1959. Within recent years, we have been directing more and more attention and sales effort to this area with the introduction of many special products in volume packaging for the food service field.

We in the food industry may feel that we suffered considerably less than others during the 1958 recession. We credit this to our merchandising efforts, our consolidation of sales areas, new products, newly-packaged goods, good employee relations, the teamwork of our management—but most of all we regard our success as a result of consumer confidence. With increasing efforts to serve this public and to serve it well, we may hope to record another year of achievement in 1959. We accept consumer confidence as our challenge to grow.

DONALD C. LUCE

President, Public Service Electric & Gas Company

A year ago, we stated our confidence in the future of the area served by Public Service Electric and Gas Company. Reflecting that confidence were our plans calling for a huge investment of funds in facilities to meet customers' demands for electric and gas service. In the past year, we spent about $125,000,000 for electric and gas facilities, bringing to almost $650,000,000 the amounts expended for construction during the last six years. Our present plans for 1959 contemplate the investment of about $160,000,000 more in plant during the year.


Donald C. Luce

The great diversity of industry and the establishment of many new industries and research centers in our area, softened the impact of the business decline early in 1958. In every month since June, 1958, sales of electricity for industrial purposes exceeded those in the corresponding 1957 period.

During 1958, all-time records for demand and output of electricity and gas were established by the Company. The total output of 11½ billion kilowatthours of electricity in 1958 exceeded that in 1957 by 4.7%. Total gas sendout amounted to 776½ million therms, more than 18.7% over the 1957 sendout. A single day's output of 41,110,700 kilowatthours of electricity on December 11th was a new high and an increase of 661,500 kilowatthours, or 1.6% over that in 1957; electric peak load reached 2,349,000 kilowatts on December 22nd, 76,000 kilowatts above the 1957 peak. A maximum day's send-out of 5,084,473 therms of gas took place on February 17th; this was 828,228 therms, or 19.5% more than in 1957. Public Service now provides service to more than 1,370,000 electric customers and 1,110,000 gas customers.

To meet the continuing growth in demands for electric and gas services, we are proceeding in 1959 with an unprecedented construction program. Among the major projects is the new $110,000,000 Bergen Generating Station, now nearing completion at Ridgefield, N. J., where the first of two 290,000-kilowatt turbine-generating units is scheduled for initial operation in the Spring of 1959, with the second unit to follow later in the year. Progress continues on the new $130,000,000 Mercer Generating Station on the Delaware River near Trenton, N. J. Here, a 320,000-kilowatt turbine-generator, largest in the Public Service system, is planned for service in 1960, and a second unit of equal size will be in service a year later. Completion of the Bergen and Mercer stations will raise the effective capacity of the Company's electric generating stations to 3,692,500 kilowatts, an increase of 1,138,200 kilowatts, or 45%, above the capacity at the beginning of 1958.

Other expansion plans for 1959 include the installation of 24,000 additional electric meters, 5,500 street lights, 3,000 miles of wire and 7,000 distribution transformers and approximately 12,000 additional poles.

During 1958, more than 25,000 gas heating customers were added, bringing the total number to approximately 245,000. To meet the increased demands of 27,000 more heating customers expected to be added in 1959, as well as the increased demands for gas for other purposes, substantial additions and improvements to the gas properties are planned for the year. These include the installation of more than 28,000 gas meters, 11,000 service regulators and 300 miles of mains.

About one-third of the Company's gas customers are presently supplied with straight natural gas. Plans for 1959 contemplate converting appliances of 146,000 more customers to use straight natural gas. Upon completion of this program, about 490,000 customers will be served with straight natural gas.

Our program of expansion requires large amounts of capital and with operating costs continuing to rise, Public Service, in 1958, filed petitions for increases in gas and electric rates. The New Jersey Board of Public Utility Commissioners has suspended until March 15, 1959, the effective date of the increases, meanwhile holding hearings.

The outlook for business in 1959 appears to be promising. We face the new year with every confidence in the future of Public Service Electric and Gas Company and of the area served in the State of New Jersey because of the great diversification of industry, concentration of research, excellent transportation facilities, and fine residential and shopping areas.

ROBERT S. MACFARLANE

President, Northern Pacific Railway Company

General business conditions in Northern Pacific Railway's territory, largely keyed to the prosperity of producers of agricultural commodities, should be at a relatively high level in 1959 because of the bountiful 1958 crops and the highest livestock prices since the close of the Korean War. Only the potato growing districts, where prices have been ruinously low, have not shared in this general prosperity. Generally, we look for a keen demand for farm machinery and supplies, building materials and equipment and materials for home modernization and improvement.


Robert S. Macfarlane

Housing starts, expected to remain at about 1958 levels or to show a modest improvement, point to a continuing healthy market for lumber and lumber products.

Northern Pacific's substantial 1959 budget for new equipment and improvements will also have an impact on the area economy since most of the money will be spent on the railway's territory. Largest item is an expenditure of $12 million for new freight cars, most of which will be built at NP's Brainerd, Minn., shops.

We are fairly optimistic about Northern Pacific's outlook for 1959. A heavier grain movement is anticipated this year since interior storage of grain in country elevators, government bin sites and on farms on Jan. 1 exceeded that of any recent year. As a result, substantial shipments of grain should take place in the second and third quarters of 1959 to make room for the new crop.

We also look for some increase in livestock movement late in the spring because large numbers of young stock, now in feed lots, should be ready for market during the spring, summer or early fall.

The relatively high level of housing starts predicted for 1959 indicate a substantial volume of lumber traffic.

H. E. MacDONALD

President, Household Finance Corporation

The year 1958 was a year of adjustment for consumers —which inevitably affected the operations of all companies in the consumer credit field, including Household. In a year characterized in part by substantial unemployment and by the elimination of overtime, a significant percentage of American families found that they could not meet contractual obligations according to schedule. Delinquency naturally rose. Under such circumstances, our managers have been instructed to treat each case on its merits, with due consideration for the welfare of the individual family. Accounts believed to be uncollectable rose, and charges-off (net, after recoveries) approximated 1.75% of average loan balances for the year, as compared with 1.26% in 1957.


H. E. MacDonald

We ended the year 1958 with about 1,650,000 accounts on our books, totaling about $575,000,000—a decrease of less than 1% for the year. The unpaid balances of these loans average about $340. We now have 958

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Text of President's State of the Union Message to Congress

To protect the public an innocent third parties from unfair and coercive practices such as boycotting and blackmail picketing.

The workers and the public must have these vital protections.

In other areas of human rights—freedom from discrimination in voting, in public education, in access to jobs, and in other respects—the world is likewise watching our conduct.

The image of America abroad is not improved when school children through closing of some of our schools and through no fault of their own, are deprived of their opportunity for an education.

"Equal Opportunity Under Law"

The government of a free people has no purpose more noble than to work for the maximum realization of equality of opportunity under law. This is not the sole responsibility of any one branch of our government. The judicial arm, which has the ultimate authority for interpreting the Constitution, has held that certain state laws and practices discriminate upon racial grounds and are unconstitutional. Whenever the supremacy of the Constitution of the United States is challenged I shall continue to take every action necessary to uphold it.

One of the fundamental concepts of our constitutional system is that it guarantees to every individual, regardless of race, religion, or national orgin, the equal protection of the laws. Those of us who are privileged to hold public office have a solemn obligation to make meaningful this inspiring objective. We can fulfill that obligation by our leadership in teaching, persuading, demonstrating, and in enforcing the law.

We are making noticeable progress in the field of civil rights—we are moving forward toward achievement of equality of opportunity for all people everywhere in the United States. In the interest of the nation and of each of its citizens, that progress must continue.

Plans New Civil Rights Program

Legislative proposals of the Administration in this field will be submitted to the Congress early in the session. All of us should help to make clear that the government is united in the common purpose of giving support to the law and the decisions of the courts.

* * *

By moving steadily toward the goal of greater freedom under law, for our own people, we shall be the better prepared to work for the cause of freedom under law throughout the world.

All peoples are sorely tired of the fear, destruction, and the waste of war. As never before, the world knows the human and material costs of war and seeks to replace force with a genuine rule of law among nations.

It is my purpose to intensify efforts during the coming two years in seeking ways to supplement the procedures of the United Nations and other bodies with similar objectives, to the end that the rule of law may replace the rule of force in the affairs of nations. Measures toward this end will be proposed later, including a re-examination of our own relation to the International Court of Justice.

Finally—Let us remind ourselves that Maxist scripture is not new; it is not the gospel of the future. Its basic objective is dictatorship, old as history. What is new is the shining prospect that man can build a world where all can live in dignity.

We seek victory—not over any nation or people—but over the ancient enemies of us all; victory over ignorance, poverty, disease and human degradation wherever they may be found.

We march in the noblest of causes—human freedom.

If we make ourselves worthy of America's ideals, if we do not forget that our nation was founded on the premise that all men are creatures of God's making, the world will come to know that it is free men who carry forward the true promise of human progress and dignity.

DWIGHT D. EISENHOWER

The White House,
Jan. 9, 1959.

San Diego Gas & Elec. Debentures on Market

An underwriting group headed by Salomon Bros. & Hutzler on Jan. 9 offered publicly $15,000,000 of San Diego Gas & Electric Co. 4⅝% sinking fund debentures due Jan. 15, 1984 at 100%. The group was awarded the issue at competitive sale Jan. 8 on a bid of 99.182%.

Net proceeds from the sale of the debentures will be added to general corporate funds of the company and applied toward the cost of property additions. The company proposes to prepay term bank loans obtained for temporary financing of such additions and expected to aggregate $15,000,000 at the time of receipt of the proceeds from today's offering.

Commencing in 1964 the debentures will have the benefit of an annual mandatory sinking fund equal to 2½% of outstanding debentures; and at its option the company may pay into the sinking fund, also beginning in 1964, an additional sum up to the amount of the mandatory sinking payment. For the sinking fund the debentures will be redeemable at 100% and accrued interest. They also will be optionally redeemable at any time at prices ranging from 104.63% to 100%, except that they may not be redeemed prior to Jan. 15, 1964 through proceeds of a refunding operation involving the incurring of debt which has an interest cost of less than the rate of interest on the debentures offered on Jan. 9.

The company is an operating public utility engaged principally in the generating and distributing of electric energy in San Diego County, Calif. and in a part of Orange County, and the purchasing and distributing of natural gas in the City of San Diego and other communities in western San Diego County.

Gross revenues of the company during the 12 months ended Sept. 30, 1958 were $57,665,000 and net income was $6,411,000.

Joins Leason Co.

CHICAGO, Ill. — Herman P. Laner has joined the staff of Leason & Co., Inc., 39 South La Salle Street.

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offices serving families in 666 cities in 39 states, and in all 10 provinces of Canada.

During 1958, we opened 67 new offices—53 in cities not previously served, including offices opened in Hawaii, South Carolina, and Mississippi for the first time. Thus, we have placed ourselves in a position to serve a wider group of customers more effectively. In 1959, we expect to continue to open additional offices wherever favorable opportunities appear, and to modernize and relocate offices wherever the public can be better served.

American families hesitate to obligate themselves when they have misgivings with respect to their ability to meet their obligations on schedule. These conditions exist during a period of significant unemployment. However, families which have experienced unemployment during which debts have piled up, turn to cash lenders, such as Household, to secure funds with which to set their financial house in order as soon as they become reasonably assured of their future regularity of income. We look forward to development in 1959 with confidence.

MARTIN MACK

President, Reading Tube Corporation

As in the case of our domestic economy in general, 1958 was a year of transition for the copper and copper fabricating industry and for Reading Tube Corporation. As 1959 gets underway there is every reason to believe that the gains will be extended. From the unprecedently high level of 46 cents a pound in effect early in 1956 the domestic price of copper continued its precipitous decline into 1957, finally rallying in mid-June from the low point of 25 cents a pound to the 29-30 cents level reached in November. The recovery resulted from a healthy change in the demand-supply equation. The demand for the red metal improved as the general economy strengthened, and stocks of the metal were sharply reduced as a consequence of drastic production cut backs by the world's major producers. Supplies were restricted also by strike stoppage of production. New properties to be brought into operation in the years just ahead reasonably assure copper supplies ample to prevent an early recurrence of a runaway price market. The assurance of sufficient copper stocks, and the promise of higher level of demand for the red metal afford basis for confidence in viewing the outlook for the copper and copper products industry. One of the most constructive elements in the outlook is the continuing uptrend in the building industry which is an important outlet for copper products. A rising demand for such products is being spurred also by improving conditions in the refrigeration, air conditioning, automotive, heating and other original equipment industries.


Martin Mack

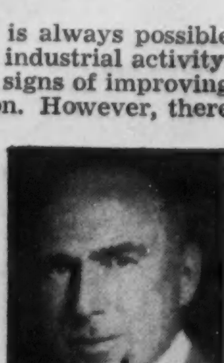
The change for the better in the copper industry in 1958 was demonstrated quite convincingly by Reading Tube Corporation. Although the company got away to a poor start, subsequent dramatic gains brought their sales and earnings for the entire year to the highest levels in the company's history. Contributing to this showing was the beginning of commercial production of billets in the company's new electrolytic copper refinery in June. This refinery, the first to be built east of the Mississippi River in 55 years, provided a flexibility of operation never before enjoyed.

Reading Tube's Reddi-Fin division, which manufactures integral fin copper tubing for use in heat exchangers and other applications where the fast transfer of heat is required, also made progress last year, as did the Mackenzie Walton division, manufacturer of precision seamless, non-ferrous tubing used in fine instruments. Both divisions use the parent company's tubing, and both are expected to make a good contribution to the progress of the consolidated company in 1959.

SIDNEY MAESTRE

Chairman of the Board, Mercantile Trust Company, St. Louis, Missouri

At the outset of every new year it is always possible to observe forces which might depress industrial activity. At the same time, it is possible to find signs of improving activity. The year 1959 is no exception. However, there does seem to be a greater degree of optimism about the power of the expansionary forces to overcome the deflationary forces than was the case in the start of 1958.


Sidney Maestre

Inventory liquidation is now definitely less than it was early in 1958, and some accumulation is probable in 1959. Because very few items are scarce and because industry could utilize its excess capacity to supply manufactured goods to meet a moderate increase in demand, inventory accumulation is not likely to be great. The existence of excess capacity will also delay the resumption of capital investment by business enterprise. It is significant, however, to note that, as in the case of inventories, capital expenditures for plant and equipment have apparently declined as far as they will, and some sign of slight improvement may be observed later in the year. Since these were two of the important causes of the 1957-58 recession, the fact that they are no longer in a declining phase is one of the reasons for renewed optimism.

The fact that some types of expenditure are no longer declining is not the only reason for optimism about the trend of industrial activity. Expenditures in some sectors of the economy are increasing sharply. Construction expenditures in 1959 are expected to increase. Private non-residential expenditures will decline again but residential expenditures and public expenditures are expected to advance sharply. Governmental expenditures at all levels will advance. Expenditures by state and local governments have been increasing for several years, and there is little likelihood that there will be any decrease over the next several years. Expenditures by the Federal Government will also rise. National security expenditures as well as aid to our allies will result in an increase in 1959. Likewise, the non-military programs of the Federal Government are expanding. Federal expenditures will also be affected by the developing international crisis in Europe.

The real problem revolves about the behavior of consumers. Personal income was little affected by the recession and now it is at an all-time high. Expenditures for services have been advancing steadily and the amount spent for non-durable goods has also increased. Expenditures for durable goods, however, declined mainly as the result of the decline in automobile sales. Originally, it was expected that 1959 would see a substantial increase in automobile sales, but that optimism has now been tempered.

There is a renewed fear of inflation and the monetary authorities are likely to attempt to take measures to curb it. They cannot, however, achieve this objective without assistance from other groups in the economy. Monetary policy may, therefore, exert great influence on business activity, and the possibility of higher interest rates should not be overlooked. In summary, 1959 is likely to be a year of improving business activity, and also one in which international political developments may have a substantial impact on business trends.

FRANK L. MAGEE

President, Aluminum Company of America

We anticipate that the upward trend of aluminum consumption since the 1958 first quarter low will continue in 1959 and that shipments to consumers next year will exceed the 1958 totals by better than 10%.


Frank L. Magee

During 1958 the company and the industry as a whole were encouraged by the apparent increase in use of aluminum per unit of durable goods produced. Growing applications for the metal in such fields as passenger automobiles and building construction offset to some degree the sharply reduced output of many aluminum-consuming durables during the 1957-58 recession.

Final surveys indicated that average use of aluminum in 1958 passenger cars reached approximately fifty pounds, an increase of nearly 25% over 1957. Aluminum found its way into an increasing number of functional parts such as the front wheel brake drums on the 1958 Buick, and continued to be used for still more trim and decorative parts. In 1959 use of aluminum in the average passenger car will again register a substantial gain.

In the building field, National Homes Corporation announced that its aluminum-clad "Viking Line" homes will be marketed early in 1959. Designed in cooperation with Alcoa, these moderately priced homes will be available in three models which use from 1,400 to 3,000 pounds of aluminum. Usage of aluminum in the average new home built today is less than 100 pounds.

Aluminum made important inroads in the electrical field during 1958. Attractively-priced Alcoa aluminum magnet wire became available for such devices as motors, solenoids, and generators. Growing numbers of manufacturers of electromagnetic devices also began using aluminum strip windings for transformers and miscellaneous electrical equipment. In an effort to speed the development of insulated coatings and winding techniques for the production of electrical coils from aluminum strip and foil, Alcoa purchased the facilities of the Transformer Division of Automation Instruments, Inc., and installed them at the Alcoa Research Laboratories.

Alcoa's 1958 research and development budget was 14% higher than actual expenditures in 1957, as the company accelerated its efforts to stimulate new and broader applications for aluminum in all market areas. Included among a number of significant achievements of Alcoa research and development during 1958 were: X5457, a new aluminum sheet alloy with a bright finish for automotive trim; X250, a new high strength aluminum sand casting alloy; X385, a new aluminum die cast bearing alloy; a new high-strength alloy for truck bodies; a lower priced sheet for porcelain enameling; and the first re-sealable aluminum closures for canned infants' foods.

Alcoa's capital expenditures in 1958 were in the vicinity of $85 million, as the company continued to modernize and expand its facilities where necessary to meet anticipated market requirements.

At the company's Alcoa (Tenn.) plant, construction began on a new unit for the production of roller coated aluminum sheet in widths exceeding any previously available in this product. Prospects for substantial market growth for enameled sheet in industrial roofing, awnings, and refrigerator shells prompted this move.

First step toward modernization and enlargement of company facilities at Badin, N. C., were taken during 1958. This improvement of smelting and related facilities was made possible by the granting of a 50-year license to Alcoa by the Federal Power Commission approving construction of the Tuckertown Dam on the Yadkin River.

Alcoa's Massena (N. Y.) smelting plant became the first industrial consumer of electricity from the St. Lawrence Project of the Power Authority of the State of New York in September, 1958. Two new potlines also began operating there during the year, one in September and the other in October. Concurrent with the initial use of power from the St. Lawrence Project, Alcoa shut down its old Massena smelting and hydroelectric facilities, some of which began operating 55 years ago.

With aluminum favorably priced and with abundant supplies assured by steadily increasing primary smelting capacity, Americans will continue to enjoy the benefits of this versatile metal in more ways than any other people in the world. Alcoa's network of sales offices and extensive research, development and marketing facilities are available to all existing and potential users seeking assistance in the design and promotion of new products, or the selection of proper alloys or processes. Through such cooperative efforts, Alcoa expects to achieve significant gains for aluminum in many market areas during 1959.

ROBERT T. MARSH, JR.

President, First and Merchants National Bank of Richmond, Virginia

A look at the business picture for 1959 gives rise to encouragement in may ways but the picture is not without some shady spots.

The recovery which appears to have started in April, 1958, will probably continue at a mild pace for a good part of the year. Economists are predicting that new highs will be reached in production and spendable income. It seems to me, though, that the recovery percentage-wise will be on the low side. This, in my opinion, is good rather than bad in that we will not rapidly pitch into another boom. Banks can look for slightly increased demands for credit which will probably mean slightly higher interest rates but the supply of credit should not be strained. We are all hopeful that the cost of living, which has slowed down appreciably in recent months, will remain relatively stable. The unfavorable part of the picture, referred to in the beginning, is the widespread inflation psychology among our people which is caused by even increasing labor demands and larger government spending. A material change in neither of these factors (which cause a rise in prices) is in prospect.


R. T. Marsh, Jr.

As a whole, 1959 should be better than 1958 which, in fact, was not too bad.

H. L. MANN

President, Iowa Southern Utilities Company

We at Iowa Southern are optimistic about business prospects for 1959. We had a good crop year in our territory in 1958, largely because of generous rainfall. This will be reflected in the farmers' income in 1959 since much of the grain and forage will be fed to livestock on the farms where the crops were raised. Large numbers of livestock have been raised for feeding and this may depress the price somewhat if the market does not readily absorb them.


H. L. Mann

The economy of our area, while still tied closely to agriculture, is making good progress in number of new industries as well as in increased volume of industrial production. This evolution is important because of the resulting diversity of income sources. The prospect for more new industries in 1959 is promising.

Another reason for optimism for 1959 lies in what appears to be a general change in attitude on the part of our customers. There seems to be an improved outlook on the part of workers, professional and business people. Consumer confidence is expected to play an important role in 1959 business in our territory.

The volume of sales of gas and electric consuming devices has increased substantially during the fourth quarter of 1958 and we feel this trend will carry through 1959. We and our dealers are planning an aggressive selling program during the new year. A substantial backlog of prospective gas space heating customers has accumulated. With greater supplies of natural gas from the pipelines, this will make for more growth in gas sales and revenues.

We expect that our normal growth rate for electric sales of between 5% and 6% will be resumed in 1959. This rate of growth results in doubling the sale of electricity every ten years.

Inflation and higher taxes are of primary concern. Five Iowa companies, including Iowa Southern, entered into a power interchange agreement on July 1, 1958. This arrangement will in time partially offset increases in

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Roger Williams Mgr. For Goodbody in Chi.

CHICAGO, Ill.—Roger E. Williams, Jr. has been appointed resident manager of the Chicago office of Goodbody & Co., 1 North La Salle Street, it has been announced by Leonard J. Paidar, Chicago partner.

R. E. Williams, Jr.

He has been a registered representative with Goodbody since 1946.

W. H. Green President Of Mutual Funds Underwriting Firm

ST. LOUIS, Mo. — William H. Green, a veteran of the insurance and investment company fields, has been named President of Mutual Fund Distributors, Inc., 403 Olive Street.

The appointment places him in charge of all business transactions involving sales of shares of the Managed Funds Inc. group by broker-dealer organizations throughout the country.

Before assuming his new post, Mr. Green had been with Federal Life and Casualty Co. of Battle Creek, Mich. for two years as director of institutional sales.

Since 1946, he has been an executive with a number of insurance firms, two of which were organized by him. In recent years, he has also been active in the mutual fund field, both as a registered representative and as an insurance company officer responsible for developing optional group life insurance coverage for a number of mutual fund contractual plans.

With La Hue Inv. Co.

(Special to The Financial Chronicle)

ST. PAUL, Minn. — Harry E. Huseby is now with La Hue Investment Co., Pioneer-Endicott Arcade.

Hubert E. Rogers

Hubert E. Rogers passed away Dec. 31. Mr. Rogers was one of the founders and former Chairman of the board of the New York Hanseatic Corporation.

Integrated Investors

Integrated Investors Services, Inc. has been formed with offices at 405 Park Avenue, New York City, to engage in a securities business. Officers are Ronald B. Durning, President; Victor E. Refalvy, Vice-President; and Francis L. Farrell, Secretary-Treasurer.

With First Southern

(Special to The Financial Chronicle)

ATLANTA, Ga.—Lee A. Dudley has joined the staff of First Southern Corp., 70 Fairlie Street, N.W.

Walls Assoc. Adds

(Special to The Financial Chronicle)

ATLANTA, Ga.—Urgel F. Asselin has been added to the staff of Walls Associates, Inc., Candler Building.

Would Defer Tax Payments on Foreign Income

Guaranty Trust Company says more liberal tax treatment would greatly stimulate more private foreign investment.

A proposal to stimulate foreign investment by deferring tax payments on income earned and reinvested abroad by U. S. companies has the support of Guaranty Trust Company of New York.

"Believers in free enterprise, both in and out of the Government, are generally agreed that more private foreign investment, especially in underdeveloped counties, is much to be desired," the bank said in the January issue of its business and economic review, "The Guaranty Survey." "The encouragement of such investment is a settled goal of public policy."

Suggesting that more liberal tax treatment might help to achieve this goal, the bank commented:

"The cost of such treatment would be only a small fraction of what the Government is now spending for foreign economic aid, and the results might be far more beneficial."

The plan that the bank regards as most directly aimed at present problems and objectives would provide that income earned abroad be taxed by the United States only when repatriated, thus offering a strong incentive for reinvestment in other countries.

Domestic Base Companies

This system would be effected by the creation of domestic base companies similar to the foreign base companies through which United States corporations now achieve the same right of deferred tax liability, with these advantages:

It would provide this incentive in a more straightforward, less costly, and generally more acceptable way.

It would relieve United States companies of the necessity of expatriating whole divisions of their operations and of the difficulty and expense of maintaining foreign headquarters, staffs, and sales forces, whether really needed for operating purposes or not.

It would extend the tax-deferment incentive to companies which in the past have not been willing to submit to exclusively foreign jurisdiction.

It would enable some companies to do a better job by allowing them to concentrate their personnel at the points where they could operate most efficiently.

"From the Treasury's standpoint, the plan would cost little in terms of immediate revenue," according to the bank. "No official figures are available, but it has been privately estimated that the Government receives less than $200 million a year from income taxes on foreign operations. Moreover, any temporary loss to the Treasury might well be regained many times over in the long run through taxes on income from reinvested earnings."

With Hemphill, Noyes

(Special to The Financial Chronicle)

LOS ANGELES, Calif. — Philip Borut has become connected with Hemphill, Noyes & Co., 628 West Sixth Street. He was previously with Daniel Reeves & Co.

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costs by permitting the installation of large capacity generating units. The resulting economy will come from lower investment per kilowatt of capability and somewhat lower operating costs. Moderate economies probably will be realized in 1959. Mechanization of accounting procedures will be expanded by our company in 1959. Mechanization of operating and construction functions is also being increased. Other cost control measures have received careful attention and will receive even closer scrutiny in 1959.

We conclude that 1959 will be a good year for us. No startling growth or earnings are indicated but we expect a reasonably normal year. While these conclusions are largely based on present and anticipated conditions in the specific territory we serve, we are of the opinion that the managements of the other utility companies in Iowa would not have greatly divergent views.

J. E. MARTIN

President, Dana Corporation

A gradual and steady improvement has occurred in our business during the past few months which will carry over into the early months of 1959.

The reception given by the public to the 1959 model automobiles has been most encouraging to date. And if continued, will result in an improvement in volume compared to the '58 model.

John E. Martin

Since our business is the design and manufacture of components for passenger cars and trucks, we will benefit from greater production and sale of these vehicles in 1959.

New products introduced by Dana within the last year or two, particularly the Powr-Lok limited slip differential and the 12 speed truck transmission have been well received by the consumers and will result in increased sales of these items during 1959. New contracts have recently been negotiated with our principal labor unions which extend for a maximum of three years. This should result in a continuation in 1959 of a fine relationship that has existed for many years.

Our principal concern as we look to the future is the problem of cost. As suppliers to the automotive industry we have competition from other parts movers and from our customers. We must have maximum efficiency of both men and machines to retain the business that we have and to get new business. We have ample resources, and the willingness to purchase the most modern machines and we look forward with confidence to the cooperation of all of our employees in reaching this objective.

We approach 1959 with confidence and with tempered optimism.

ERNEST S. MARSH

President, Santa Fe Railway

General business activity in Santa Fe territory, rather slow early in 1958, increased quickly under the impetus of record grain harvests. Increased production of other agricultural commodities and a general pick-up in freight revenues exceeded fourth quarter expectations.

Ernest S. Marsh

Santa Fe's net earnings in 1958 should exceed the previous year's by possibly 5% despite an expected 4% drop in operating revenues.

Agricultural and industrial development prospects in the west and southwest for 1959 appear favorable at this time, and 1959 revenues are expected to reflect a modest increase over the current year.

However, 1959 earnings prospects are subject to the likelihood of continued inflationary trends in wage rates and in the cost of materials and supplies.

Santa Fe spent approximately $38 million on capital improvements in 1958 on such items as 2,300 new freight cars, 50 new baggage cars and the laying of approximately 150 miles of continuously welded rail. The final phase of the new "push button" yard facilities at the Corwith freight terminal was completed during the year. This $20 million improvement program at Chicago provides a 32-track automatic retarder yard, three modern freight houses and car and locomotive repair facilities.

The company recently authorized the purchase of 42 new 2,400 h.p. Diesel locomotives and 626 new freight cars scheduled for delivery in 1959, while 248 more miles of continuously welded rail will be laid. Additional Diesels and freight cars are under consideration for the 1959 program.

Additional improvements scheduled for 1959 include modernization of certain freight yards, expansion of radio communication and roadway signalling equipment, including some centralized traffic control planned throughout the system.

Reductions in both eastbound and westbound freight schedules made during the past year enable the company to provide its customers with earlier delivery of their goods. Such service improvements are expected to result in a larger volume of freight traffic moving by rail in 1959.

In the field of legislation, we regard the passage of the Transportation Act of 1958 as a significant expression of public concern for the inequities which have plagued the rail industry for years.

Repeal of the 3% Federal excise tax on freight charges was helpful but many obstacles still confronting the industry must be hurdled before full equality of opportunity and treatment can be achieved.

Paramount among these are the repeal of the 10% passenger excise tax; repeal of the agricultural commodities exemption or its extension to non-motor carriers; removal of artificial barriers preventing transport diversification by the railroad industry; revision of depreciation policies in respect to railroad plant and equipment, and the establishment of suitable user charges where publicly-owned facilities are provided for the railroads' competitors.

Given fair treatment in regulatory matters, I am confident Santa Fe and the nation's railroads can meet the transportation challenge of the future and contribute importantly in the long range prosperity of the country.

GEORGE G. MATKIN

President, The State National Bank, El Paso, Texas

I think I should discuss first business conditions in my own territory in the year 1958. El Paso and the "Sunshine" area are the El Paso trade territory, which is West Texas, Southern New Mexico and Southern Arizona. This section has felt the recession, or depression, in very few ways. One of them is the mining industry which has felt the depression, another the oil industry. I would say also that the automobile dealers have felt it, but all in all, due to an unusual increase in population in this entire section, business has stood up unusually well.

George G. Matkin

Bank deposits have risen and building permits have been higher than in any year in our history.

With this as a background, I expect our section to continue to show good progress in the coming year.

On a national basis, I expect a continued recovery in business conditions, with money and interest rates continuing about as they are now—with some variation from time to time, but all in all, with interest rates remaning about the same as they are now.

I do feel that it is most important that the Federal Government balance its budget and that if they do not do this, we will see a continued increase in the cost of living and a continued inflation. I expect the business recovery to continue in the year of 1959, but the rate of recovery will probably slacken to some extent. The above prediction is based on the cold war continuing as it has this year and on the assumption that we will not become involved in any major shooting conflicts.

WALTER P. MARSHALL

President, The Western Union Telegraph Company

Western Union's operating revenues in 1958 will rival the record all-time high of $259,968,000 in 1957. The lower level of general business affected telegraph volume in the first half of the year, but the company's revenues were up strongly in the last half. Prospects for 1959 are good.

Walter P. Marshall

New labor contracts were signed, with no wage reopening clause, extending thorugh May 1, 1960, followed by appropriate telegraph rate relief to offset the resulting increased wage costs. Revised landline charges on international communications, which went into effect Aug. 1, are expected to add $2,000,000 to our annual revenues. The company also put into effect, on Dec. 2, 1958, revised rates for its private wire services, designed to produce additional revenues of $5,000,000 annually.

Telegraph facilities were increased by more than 500,000 channel miles in May, with the extension of the company's microwave radio beam system from New York, Philadelphia, Washington and Pittsburgh, to Cincinnati and Chicago. Nearly 90% of the added mileage was made available for leasing to industry and government. The company's ultimate planning is for extension of its radio beam system to link important cities and defense areas throughout the country.

Growing from $6,169,085 in 1948 to an annual rate at year-end of nearly $50,000,000, revenues from the leasing of private wire systems to industry and government continued to expand during 1958, despite the general business recession in the earlier months of the year.

Western Union completed in December installation of the world's largest private wire system for the U. S. Air Force. This 250,000-mile fully-automatic network, with a two-and-one-half billion-word annual capacity, connects more than 200 air bases throughout the nation.

The company is installing similar communications centers at overseas Air Force bases in 1959 to extend the system around the world, under a $10,000,000 sales contract, and a similar center will be set up for the Civil Aeronautics Administration at Hawaii. The latter is the first of a planned network of international air traffic and weather communications centers.

A 25,000-mile private wire system was placed in service for International Business Machines Corporation to link its headquarters and 245 offices, plants, laboratories and parts centers. Additional private wire systems were installed for Merrill Lynch, Pierce, Fenner & Smith, Allstate Insurance, Harnischfeger, American Oil, Royal Dutch Airlines, Gulf Sulphur, and many others, and numerous existing systems were expanded. Most of the private wire systems installed in 1958 were equipped to handle business data in addition to regular communications.

With the installation in 1959 of a 12,000-mile nationwide Intrafax fascimile network to distribute weather maps to 49 Air Force bases, leased Intrafax systems will produce over $2,000,000 in annual revenue.

Telex, a new Western Union service, was placed in operation in May between New York and Canada, permitting users to dial other subscribers directly for instant, two-way telegraph communication at special time-distance rates. It is being extended to the Chicago area now, and will be to other cities later.

Western Union acquired an interest in Gray Manufacturing Company of Hartford, Conn., and in Hycon Eastern Inc. of Cambridge, Mass., an outstanding research organization in the fields of electronics and data processing, as part of its program of selective diversification.

L. L. MATTHEWS

President, American Trust Company, South Bend, Ind.

At the end of 1958 many national and international problems cloud the horizon to the extent that predictions for 1959 are somewhat vague. We in the banking field sometimes wonder if the money market is the cause or effect of changes in our economy. Frankly, I feel that commercial banking in our country has less control of the money market than it did 10 years ago. A tremendous amount of influence arises from insurance, pension and investment funds, and cooperatives chartered by the Federal Government. These sections of our financial structure continue to grow and expand.

Recent research indicates that the basic industries, such as tool and die, machine products, and scrap metal operations, do not reflect an immediate upturn in business. Many executives in this field are of the opinion that we cannot expect an upturn until March, and then on a moderate scale. Most businessmen, however, are somewhat optimistic about the last half of 1959.

The birth rate and human longevity will also add nearly three million citizens in the coming year. This rapid increase in population since 1950 continues to augment the need for public works such as schools, hospitals, and public utilities. In addition, home building will continue on a strong basis for some time. These segments of our economy will continue to create financing needs, and tight money is evident for the foreseeable future.

Once again, supply and demand will be important factors in controlling interest rates in the money market. Higher interest rates will be involved in government refinancing and the U. S. bond portfolios of commercial banks will continue to reflect substantial depreciation.

To summarize, optimism prevails concerning the last half of 1959, but substantial increases in employment, expansion, and manufacturing volume are not visible for the next few months.

J. W. McAFEE

President, Union Electric Company

Our appraisal of the course of business in 1959 and subsequent years is best evidenced by our construction budget. We plan to spend $52 million this year, up $10 million over our 1958 construction outlay. Moreover, we have scheduled a total of $312 million in building during the next five years.

J. W. McAfee

We have laid out this heavy program on the basis of (1) our established load growth curve, (2) construction commitments and starts by St. Louis area industries and (3) well-advanced plans by public authorities for encouragement of business expansion.

Our faith in the future was fortified by the fact that our residential customers continued to improve their standard of living electrically during 1958. Average use was up some 120 kilowatt hours over 1957. While industrial and commercial demand slacked off during the early part of the year we see this as insignificant in the long pull. We expect the powerful economic forces presently at work to bring about a rapid return to the established pattern of business expansion.

One of those powerful economic forces is the westward movement of our nation's center of population. Now only a few miles east of St. Louis, it makes our area specially attractive to manufacturers of nationally distributed products. One such is the Chrysler Corporation which is presently building a major assembly plant in St. Louis County. There are many less well-known examples and we expect still others to follow.

Another important force is the discovery, within our service area, of the tremendously promising Pea Ridge iron deposit. A shaft for large-volume extraction of the Pea Ridge ore is being sunk as a joint effort by Bethlehem Steel Company and the St. Joseph Lead Company. The mine itself will be an important customer for our

company and we expect it to attract other large customers.

Still another cause for faith in the future of St. Louis is our tremendous urban renewal program. One phase, a cluster of middle-income apartment spires, is going up within sight of Union Electric's downtown office headquarters. Another, even larger, project is the rebuilding of our Mill Creek Valley. This area of more than 100 square blocks in the heart of our city is to be cleared beginning next year. It will then be redeveloped by private interests as a balanced complex of residential, commercial and light industrial zones.

In the suburbs and our so-called "exurbia" the march of the subdividers and builders goes on at an impressive pace. The new homes are, for the most part, wired to provide a high level of electrical living and many are air conditioned. Also, a growing proportion offer electric heat, either resistance or heat pump. We see great promise for our business in this growing acceptance of electricity as the ideal year-round means of home temperature control.

Exceptionally impressive among users of electric heat is the new Bayless High School. First school in this area to be fully heated by electricity, Bayless High opened last fall.

The electric heating load is particularly important to us because it comes in a season when we ordinarily have some idle generator capacity.

The progress St. Louis is making as a place to live and work adds up to a sound basis on which to invite industry to come here. We have issued that invitation in a series of Union Electric Company advertisements that have featured some of the foregoing assets of St. Louis—the "strategic center of America." The advertisements, which appeared in Saturday Evening Post, Fortune, Life and other periodicals, have brought a sharp increase in the number of inquries from business firms interested in building new plants.

Our electric facilities, so vital to all industrial and commercial enterprises, are ready to meet all foreseeable demands, so all our area can continue to grow.

Looking to the nuclear power age ahead, our participation in the construction, near Chicago, of the large scale Dresden atomic power station is enabling our people to gain experience and technical knowledge. We began research and development work on the use of atomic fuel in power generation nearly ten years ago. Our more recent work at Dresden, where we are in a joint effort with seven other utilities, is progressing on schedule and the plant should be operating in about a year, when it will become a part of the system serving Chicago.

THOMAS B. McCABE

President, Scott Paper Company

It was just one year ago that I said, "The consumer holds the key to prosperity in 1958." Now it is time to tip our hats to Mr. and Mrs. Consumer, who have so clearly expressed their confidence in the future.

Thomas B. McCabe

The record shows that consumer spending was off by only 1% in the early adjustment period of the year but, by the third quarter, consumer purchases reached an all-time high of $292 billion, an increase of 2% over the low for the year.

In terms of personal income the recession reached its low point in February, 1958, being off the previous high by about 2%. But by July, 1958, personal income had reached another record high.

All this shows a very healthy picture of recovery. Many forces in business and in government have operated to help produce this result. Certainly the enlarged national defense and highway programs, plus the expanded budgets of states and municipalities, played an important part. Much credit is due also to the American Management Association, the Advertising Council, and other business associations for the constructive campaigns they waged in the spring and early summer of 1958 to dispel fear in the minds of the consumer and to sell the basic strengths of our competitive enterprise system. President Eisenhower's calm and farsighted leadership added impetus to their effectiveness.

The Rockefeller Brothers Report, issued in mid-year, on the future of the American economy buttressed the growing sentiment that our economy was on the threshold of another era of expansion, greater perhaps than any we have experienced in the past.

Finally, the supreme effort of each business to revitalize itself, to call upon every resource in its organization, and to utilize the hidden potential of its human resources helped to stimulate sales and provide more employment.

One segment of the economy—the paper and paperboard industry, with which I am associated—had a very heartening performance in light of the fact that during the first half of 1958 the industry was running about 3½% behind 1957 levels. It appears that for 1958 total paper and paperboard production will about equal 1957 levels. In 1959, total production will undoubtedly rise with the improvement in the general economy.

Production of sanitary paper products for the home and industry (towels, bathroom tissues, facial tissues, napkins, and industrial wipers) has continued to outperform the total paper industry. Even during the early months of 1958 production in this segment of the paper industry continued to equal or surpass year-ago levels. There is growing optimism among producers in this field that 1959 will bring a greater percentage increase over 1958 than was experienced this year over 1957.

During the last 10 years the paper industry, in response to consumer demand, has increased its production capacity by more than 50%. And in this period industry growth has been more than double that of population growth. After this period of very rapid expansion, capital expenditures are not expected to be as high in 1959 as the 1957 record of more than $800 million. We expect that in 1960, however, capital expenditures for pulp and papermaking facilities will again turn upward.

In addition to the anticipated increase in consumption of present paper products, the future holds great promise in terms of new and improved papers. Research has already made great strides in this direction, even though research is still a comparative infant in the paper industry.

If the industry's growing awareness of the need for research is translated into constructive programming—both in the expansion of research facilities and in marketing plans — then no question remains in my mind about the future of the paper industry.

For a number of years now we at Scott Paper Company have been emphasizing to an extraordinary degree our new products research programs, and we have developed several new products from cellulose and other raw materials, which have, we believe, extraordinary consumer appeal. We have also been making intensive market studies into improved methods of introducing and promoting new products. After careful study of the long-range opportunities open to us through research, I thing it is safe to stay that our budgets for this important activity will probably be increased by as much as 100% over the next five years. Substantial capital expenditures will also be required to provide new facilities for manufacturing the new products as well as providing for greater output of our established trade-marked brands.

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L. F. McCOLLUM

President, Continental Oil Company

One of the most outstanding accomplishments of the petroleum industry in 1958 was that of bringing about an improved balance between inventories and demand. Largely as an aftermath of the Suez crises, stocks of crude oil and refined products at the beginning of the year were inordinately high. Total inventories on Jan. 1, 1958, were 62 million barrels, or 8% above the 1957 level. By the end of November inventories of crude oil and refined products were 35 million barrels, or 4% below the 1957 level.

This reduction was achieved by curtailments of crude oil production and refinery runs during the early months of the year. Domestic demand during the first nine months of 1958 increased only a little more than 1% over the 1957 level.

On the basis of preliminary figures, it appears that inventory liquidation in 1958 will average about 120,000 barrels per day — the largest stock drawdown in any year since World War II. In fact, during 1958, a year of recession, the reduction in inventories has been twice as great as in 1950, the year this country mobilized for the Korean conflict. This is quite a record of successful inventory management against great odds.

Recent progress in reducing stocks does not mean that all the industry's problems are at an end. Total product inventories are still somewhat more than justified by current levels of demand. Distillate stocks are on the high side, particularly in the Mid-Continent area, where the early winter weather has been somewhat warmer than normal. After steady gains throughout the summer, refiner's gross margins dropped sharply in the early fall and are still far below satisfactory levels.

Looking forward to 1959, there are reasons for "guarded optimism" about the industry's prospects. Aided by continuing improvement in general business conditions, domestic petroleum demand is expected to increase 4 to 5% over the 1958 level. A demand increase of 4% to 5%, combined with cessation of inventory liquidation and adequate restraints on imports, should permit domestic crude oil production to increase about 7%. Refinery runs should increase approximately 5 to 6%. The increase in demand should also restore product prices to more satisfactory levels, providing that the industry continues to exercise common sense with regard to inventory management.

The most important problem facing the industry in 1959, and the years beyond, is that of halting the persistent rise in oil finding and developing costs. These costs have been increasing about 8% per annum and have been outstripping advances in crude oil prices. Prospects for future crude oil price increases are not encouraging due to large surpluses of foreign oil, the existence of a surplus domestic crude oil productive capacity, and the increasing competition faced by distillate and residual fuel oils from natural gas. Cost reductions are clearly necessary, if profit margins in the domestic producing industry are to be maintained at adequate levels.

This problem must be solved—just as the industry has solved many other difficult problems in the past. And in the long-term future, we shall be thankful for the abundance of oil supplies which is creating difficulties for us today. Current forecasts of growth indicate that United States requirements for oil may be 50% larger in ten years from now than they are today. In time, therefore, we shall need every barrel of oil we can find in this country and a great deal more besides.

ROBERT McCULLOCH

President, Temco Aircraft Corporation

In the aircraft industry the forthcoming year holds a promise for business which is as far-reaching as the individual firm management can visualize. It offers rewards directly in proportion to the will of that management to achieve. It appeals to the competitive spirit with greater force than has ever been previously experienced. It offers success in direct proportion to the plans set into being to capture it. It will be fierce, unforgivingly competitive. It will be a year of mergers and eliminations.

Robert McCulloch

The President's balanced budget will necessitate consolidation of projects in every facet of the Department of Defense inventory. This will be a blessing to the industry. There will be a consolidation of effort which heretofore has been expended over many projects. A consolidation in such a manner as to enable the best talent to be concentrated on a way to solve the problem.

Congressional investigations of the industry, reviews by the General Accounting Office, restudy of programs by the budget authorities give more and increasing opportunity for the economic producer of quality products on schedule to emerge from the great mass of wishful thinkers. It is good for the industry for those responsible for the tax payers' dollars to have a more intimate knowledge of how those dollars are translated into the necessary articles for national survival. The industry is pleased to exhibit its integrity in the national effort.

The decreasing demand for the manned aircraft in the Department of Defense and the increasing demand in the area of missiles and rocketry is an ever-increasing challenge. The business which will continue to grow in 1959 will be that with the diversified products and services required in the Defense inventory. No longer will one product or one service be sufficient for even survival. "More eggs in the basket" is a must for this year. But these eggs must be the best.

Quality and reliability must go hand in hand with economy on schedule. These will mark the successful producer in every field. And in the aircraft industry with the safety of our nation at stake, these are most stimulating challenges. In a sense it is most rewarding to the manufacturer who has spent his entire life dedicated to such a concept. 1959 offers realization of these ideals.

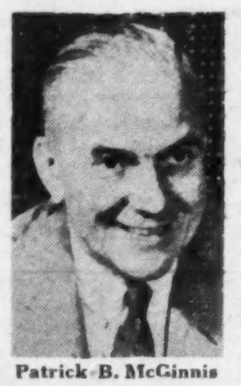
It appears to me that a successful 1959 with all its varied demands for consolidation and product diversification is dependent primarily upon the realiaztion of a program planned for just these exigencies. This program must have been in effect for a considerable period of time. Such a program must be based upon established objectives over a period of time reaching from at least two years back and extending well beyond this forthcoming year. Such a program, to be successful must have been based upon the elements of product determination, facilities needed, equipment and manpower required plus the necessary financing to support it.

With the high level of today's market, stockholders are happy. The balanced budget being programmed is encouraging. The availability of skilled labor eases a worry in that area. Consolidation of defense projects with emphasis on quality and reliability is stimulating. A planned, balanced program with a well-trained crew offers the tools with which to meet all competition. We welcome 1959.

PATRICK B. McGINNIS

President, Boston and Maine Railroad

The railroad industry benefitted to a large degree from the passage of the Transportation Act of 1958, but the road ahead will be filled with hazards unless further relief is forthcoming. Indeed, since the enactment of this law, at least one Class 1 railroad has served notice of its intention to abandon all passenger service.



Patrick B. McGinnis

What is needed most is a more liberal and understanding view on the part of municipal, state and Federal authorities, on the part of bankers and other institutional investors and lenders and on the part of the public itself.

Mass automobile transit has spelled the end of the inter-city passenger business. No amount of editorializing, arguing or cracker-barrel philosophizing can alter this irrefutable fact. The sooner we remove this unfair burden from the railroads, the better will be our national transportation system. We simply cannot approve appropriations for billions of dollars worth of new highways on the one hand and expect our railroads to provide inter-city passenger service on the other, while at the same time expecting the world's most efficient system of domestic air travel.

Railroad commuting service does not present the same problem, but it too, like the inter-city business, will soon fall by the wayside unless local tax authorities and the cities which depend upon commuting, take a more realistic view. Steadily rising wage and material costs, coupled with alarmingly steep ad valorem taxes, have made it almost imperative to abandon sections of commuting mileage that were once popular and profitable. The nation is well aware of the serious reduction in commuting miles that we have witnessed since the end of World War II, but once again, the problem of new highways and taxes is one which is making commuting a vexing problem indeed.

Fortunately, provisions of the new Transportation Act make it possible for railroads to apply for loans guaranteed by the Federal Government. These funds will assist greatly in our attempts to replenish our cash, long ago depleted through outlays for plant and equipment. The Act also allows us to appeal to the Interstate Commerce Commission where state regulatory bodies, always under local pressures, refuse to approve applications for rescheduling of service or for abandonment of unprofitable lines.

These two provisions will at least allow us to catch our breath and continue on with our future planning. Many of the Class I roads are today under the control of young, vigorous leaders who have young ideas. These men have many wonderful new plans on the drawing boards.

Railroads are beginning to establish their own research and development departments and laboratories. Almost every road in the East and the West is well into Piggyback traffic, which has proven that railroads can compete with other modes of transport. For the first time in history, railroad men are attending graduate and technical schools in droves. We are even trying to clean up our physical appearance.

The freight traffic situation has witnessed many changes since 1946. Entire industries have moved from one end of the country to the other. This naturally changes freight operations of the railroads. We feel, however, that a great new era lies ahead for the transportation of freight. Piggyback traffic offers the most hope, but the traditional way of carrying freight is also being continually studied.

I have long advocated radical changes in the method of transporting freight, and some hopeful signs are now on the horizon. Car builders are beginning to offer roller bearings. The familiar hot box is well on its way to being eliminated through the introduction of new technological improvements. New methods of packaging and of storing lading have been introduced. Nailable steel floorings are now being used in many cars. I hope the day is not too far distant when something can be done with the couplers used on our cars.

The recent recession has hurt, and full recovery has not yet been attained. However, my personal view is that a vast new economy lies ahead, and we in railroading hope to offer dependable, fast, modern service to cope with it. To this end we dedicate ourselves.

A. H. McDOWELL, JR.

President, Virginia Electric and Power Company

In looking ahead to 1959 it is anticipated that the Southeastern area of the United States will continue its rate of industrial growth and expansion. This gradual rate of increase is expected to be slightly above the national average projected for 1959. The Top-of-the-South's location with its close proximity to large northern, eastern and southern markets, the excellent transportation facilities, ample raw materials and space to grow are major assets which it is believed will continue to attract additional industries to locate here. The recreational facilities and the native-born labor supply are major assets of this area.

The over-all continued expansion of existing industries and the trends towards greater diversification of industries have been important economic factors during the year 1958. This growth has resulted in a favorable economic force in the area serviced by the Virginia Electric and Power Company. This area includes the greater part of Virinia, northeastern North Carolina, and a small portion of southeastern West Virginia.

The population increases in the Southeast have been reflecting growth comparable to the national average and are a major factor in the economic potential for the future. The rate of population growth in Vepco's service area has exceeded that in the Southeast. The Virginia Electric and Power Company has been keeping abreast of the additional demands for electricity. The company is fully aware of its part in the economy of the area it serves. Vepco has a planned construction budget of $53,000,000 for 1959, the greater portion of which will be expended for new steam generating facilities. T is in itself reflects the company's confidence in the future by this continuing large construction program. Vepco's present generating capability is 1,848,000 kilowatts with an additional 540,000 kilowatts authorized, including 340,000 kilowatts under construction.

In anticipation of the projected future economic growth in its service area and of the existing residential, commercial, industrial and other customers numbering more than 720,000, the company will continue to serve its customers with adequate and dependable electricity. For as the Southeastern area moves ahead, the utilities serving this area are the major motivating force. We firmly believe 1959 should be a growth year in the Southeast, a continuation of the trend in 1958.

MAX McGRAW

President, McGraw-Edison Company

Current conditions indicate the year ahead should be a good one for the electric appliance and apparatus manufacturing industries generally, with a gradual improvement during at least the first two quarters, but with no spectacular increases anticipated for any of the greatly diversified lines of electrical products manufactured by the firm.

Max McGraw

Our volume during the last half of 1958 was generally pretty good and we expect this level of activity to continue into the next year at a pace that will enable us to register good gains over the similar quarters this past year.

Our Speed Queen washer division had a record year in 1958, but we feel optimistic that they will do even better in 1959. Several new small appliances developed in the Toastmaster Division are expected to produce a substantial gain for this branch of our company. Sales of utility distribution apparatus have been gaining steadily in recent months and we see no reason for any decline in volume in these products in the months ahead.

Orders for heavy utility apparatus have been relatively slow the past year and so far there have been few factors indicating any appreciable change was in sight.

The company expects an improvement in sales of air conditioning equipment with the McGraw-Edison Coolerator Division getting a proportionately larger share of the market.

As of now, we are reasonably certain profit margins will generally tend to improve in the year ahead. We expect production and sales costs will remain about the same, but there could be slight increases in some divisions. Competitive and other factors could dictate price

adjustments, both upward and downward, in some of our lines, but we foresee no substantial changes at this time.

The company closed 1958 with cash and equivalent position at an all-time high. We expect to continue 1959 dividends at the 35 cent quarterly rate paid the past year and anticipate no financing during the year ahead.

Thus, considering all factors, we are quite confident 1959 will be a better year for our company than 1958.

PAUL B. McKEE

Chairman of the Board, Pacific Power & Light Company

The Pacific Northwest should see good progress in 1959, with Oregon's centennial year celebration swelling the tide of visitors to the region and dramatizing the great assets of this fast-growing section of the country.

Paul B. McKee

A record construction program has put the region in a favorable position to meet a healthy growth in electric power requirements. New projects completed or under construction will provide adequate power for the expected expansion in population, business and industry during the next five years. Other new projects are in the planning stage.

Based on historical growth trends and careful estimates of future loads, we believe the energy requirements on our own system will about double in the next 10 years. This means an expanding market for electric service, and a continued need for large sums of new development capital.

Even though average annual use of electricity in homes on the Pacific Power & Light system passed the 7,000-kilowatt-hour mark in 1958, we look for continued growth of this important market, along with commercial and industrial demands.

Rising construction and operating costs will necessitate adjustments in electric rate schedules, which have been maintained at or below prewar levels, but the value offered by electric service will still be so great as to keep it a genuine bargain.

Every year brings its problems, and 1959 will be no exception, but hard work will show results.

PHILIP M. McKENNA

President, Kennametal Inc.

Thirty years ago tungsten carbide was acclaimed as a "wonder metal". It sold for more than the price of gold. As tiny metal cutting points on tools for machining cast iron and nonferrous metals and in drawing dies to replace diamod dies, this revolutionary metal was well worth the price due to the great reduction it effected in production costs.

Philip M. McKenna

The use of tungsten carbide expanded rapidly; by 1940 the price had been reduced to 12 cents per gram, or $54.00 per pound, which was only one-third the price in 1938. A gradual reduction in the price of tungsten carbide in various forms has been effected until last year the price range was approximately one-fourth of that in 1940. Today, we look forward to a big expansion in the use of these hard carbides as a material of construction for vital machine and equipment components as used in practically every segment of American industry.

It has been the experience of industry that the "tool steel" of one age becomes the material of construction of critical parts of machines of a succeeding period. That is because the same qualities required to withstand heavy pressures at the point of a cutting tool with minimum deformation or wearing away, are later recognized as the qualities needed in maintaining accuracy, rigidity, and in extending the life of many vital parts in heavy duty machines and appliances. One such quality of tungsten carbide is its high resistance to bending, or to deformation under high compressive forces. This quality of tungsten carbide, expressed as the Modulus of Elasticity, is three times that of steel, namely 90 million psi as compared to 30 million psi for steel. One example of how this high stiffness is employed to advantage is in cylinders for pumps to compress ethylene to form polyethylene. Here the tugnsten carbide hard alloy parts permit pressures three times as high as those obtainable with steel cylinders and pistons. In grinding quills and boring bars, the high rigidity of tungsten carbide makes it possible to attain a degree of precision heretofore unattainable.

The ability of tungsten carbide to resist abrasion and wear many times longer than other metals makes it ideal for gripping devices such as chuck jaws and driving clutches for rotary rock drilling machines; oil well pump valves; high pressure hydraulic systems; percussion rock drills; dies for drawing and forming steel bars and tubes; hammers and parts for pulverizing and grinding machines; rolls for cold rolling metals; rotary seals and countless other components for machines.

The use of tungsten carbide hard alloys to meet the needs of American industry for new materials of construction has been slow getting under way. Why it has taken 30 years for tungsten carbide to become recognized as a useful material for purposes other than for cutting metal is due largely, to these factors: (1) a revolution in engineering thinking and design had to take place; (2) economic motivation for risk taking by such innovation had, under cost plus contracts, steeply graduated taxes and renegotiation "dulled the edge of husbandry" during those 30 years; and (3) government intervention by acquiring and removing from commercial use such a large proportion of the raw tungsten mineral concentrates; making bricks without straw was easy compared to making tungsten carbide without tungsten!

A ray of hope for development of a tungsten carbide industry of a size commensurate with its potential in the United States occurred 18 months ago when Congress refused to appropriate any more money to buy tungsten concentrates for stockpiling. Since 1940, a major proportion of the raw minerals of tungsten produced in foreign and domestic markets was acquired and removed from use by various agencies of the government. By 1957, government statistics showed a 23-year surplus based upon the average consumption for all purposes in the United States during the previous five years. Those were, indeed, years of active military production as well as civilian usage.

This over-estimate of the needs for raw tungsten can be attributed to failure to recognize the fact that one pound of tungsten in the form of hard tungsten carbide tools does as much work in metal cutting as sixty pounds when used in 18% tungsten tool steel. From 1900 to 1940 tungsten tool steel had absorbed 90% of all tungsten mined. As tungsten carbide cutting tools replaced tungsten tool steel, one pound of tungsten did the work of sixty. This more efficient use of tungsten, in the form of carbide for cutting metal, was pointed out by this author in an article published in the Nov. 11, 1940 issue of "Iron Age" magazine. Since then reprints of the article have been widely circulated and have been

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repeatedly brought to the attention of government authorities in charge of stockpiling.

After the government ceased to absorb the current supply in 1958, the world price of tungsten dropped from over $40.00 a short ton unit to a low of $8.00. In the closing three months of 1958, it advanced to $12.00, to which must be added a U. S. import duty of $8.00. (A unit is 15.86 pounds of tungsten contained in the raw mineral.)

New processes and plans for utilization of tungsten carbide are going forward and it is hoped that free economics will prevail to permit the further risk taking necessary for successful innovation.

The economic motivation for industry to adopt tungsten carbide alloys for elements of construction has been sharpened by the realization that economic competition with a reviving European industry is a stark reality. However, the financial means and incentive to move faster are still hampered by punitive taxation upon risk taking enterprise.

American engineers, inventors and managers have had so many examples of the profitable use of tungsten carbide alloys that, with greater freedom, we hope their profitable ingenuity will keep America ahead in designing and using these revolutionary alloys. Protection for private property, including intellectual property such as inventions, under the Constitution is the key to the creation of new articles and greater productivity which are necessary for the continued development of American industry.

DONALD H. McLAUGHLIN

President, Homestake Mining Company

The factors that must be taken into account in any appraisal of the gold mining industry are the same as those for mines producing any other metal. The only unique aspects of the industry that distinguish it from other enterprises exploiting deposits of minerals arise from the status of gold as the single monetary commodity with worldwide acceptance.

D. H. McLaughlin

The value of a mining enterprise is determined by (1) the magnitude and grade of the ore available to it; (2) the full costs of transforming the valuable mineral in the ground into a product that can be sold (including all capital expenditures, exploration and development costs, and mining, metallurgical and sales expenses); (3) the schedule and rate of production; (4) mining and metallurgical recovery; and (5) the price received for the metal or mineral product that is sold and the magnitude of the market. Few of these factors are entirely independent of the others, and in the case of gold, the last factor has a far reaching influence that affects almost every other consideration involved in any effort to estimate future profits.

When gold is allowed to function properly as a monetary metal, national currencies are defined by the gold content of their units. Such currencies and gold are freely convertible at fixed rates with no restrictions placed on the ownership of gold or on convertibility. The miner who delivers his gold to the mint can receive it back in gold coins if he chooses, with which he could pay his wages, his bills and his dividends — or if he accepts paper money, those who receive it could also obtain gold for it on demand if they desire.

Under these happy circumstances, the costs that go into the production of gold are at least expressed in terms of a recognized monetary commodity and are certain to have greater stability than costs expressed in paper currencies subject to the vagaries of politics, strife and the efforts of money managers to accommodate themselves to the troubles around them.

Under the conditions that have prevailed since the modification of the gold standard in the Thirties, many if not most of the advantages of the gold standard have been lost to the gold miner. Free convertibility has been denied him and neither he nor his fellow citizens can demand gold in payment or hold it in his possession as money. The restraints on spending and on deficit financing that gold might exert are largely lost under these conditions, and the way is made easy for meeting the excessive and unproductive expenditures of the war and the uneasy peace through inflation.

The economic consequences of World War I brought about first the devaluation of the pound sterling and then of the dollar in terms of gold—both after a belated and injurious effort to maintain the 1914 ratios of gold to their respective currencies—an honest perhaps but futile effort to meet the immense debts of the war in money of prewar value.

The redefinition of the dollar in 1934 in terms of gold—whereby the price of gold in paper dollars was changed from $20.67 per ounce to $35 per ounce—was probably ample to have permitted restoration of full convertibility and permitted the gold standard at that time to have functioned on a sound postwar basis if it had been allowed to do so. Unfortunately, the change was accompanied by such restrictions that the beneficial effects were minimized and the opportunity to regain monetary stability was lost.

And now, following the second world war, the cycle is being repeated. Immense and mounting debts are still expressed in dollars tied to gold (and convertible into gold through central foreign banks) at a prewar rate. (England again has led the way by the revaluation of the pound sterling in 1949.) The United States, by virtue of the financial strength gained from its ability to expand production in almost all major fields and its power to move its goods into foreign markets has been able to maintain a dominant position in international trade in spite of the dollar being defined and redeemable abroad in gold at the prewar ratio.

During this period (1941-1958), however, the dollar, expressed in terms of what it will buy domestically, has declined drastically in purchasing power. With the dollar firmly tied to gold at the prewar ratio, this amounts to an effort to force the value of gold itself to accompany a paper currency in its depreciation. So far the strength of the dollar has been so great that it has been able to accomplish this novel feat and even maintain its international standing. But how long can it prevail?

Until other nations of the world regained their industrial strength, American goods have enjoyed a strong competitive position. We now face very different conditions and it is by no means certain that our special skills and particularly our successful technique of mass production will continue to give us sufficient relative advantage to offset excessive increases in wages and costly if not wasteful domestic practices. Can we continue in this way and still sell goods abroad in dollars tied to gold at the prewar ratio? In other words can we have inflation at home and find a market for our goods abroad priced in the old gold dollars? The alternatives seem clear. Either gold no longer has any significance or power as an international monetary metal, or the dollar will have to be defined in terms that will mean a substantially higher price for gold unless we are willing to face a drastic decline in exports, loss of gold reserves and in all probability a depression.

The dramatic moves in monetary policies that occurred abroad at the end of the year should give foreign currencies new strength. Although the relation of the various currencies to gold has been scarcely mentioned in these efforts to promote convertibility, it is certainly a basic consideration, particularly since gold reserves in foreign hands, including Russia's, are now so substantial. We can be sure it is not being overlooked by our competitors who are less provincially minded than we are. If the United States persists too long in ignoring the implications in these initial steps, it may face the loss of markets and the making of a depression for us that may have most serious consequences. The changes should emphasize the dangerous position we are in by attempting to maintain our trade in dollars overvalued in gold.

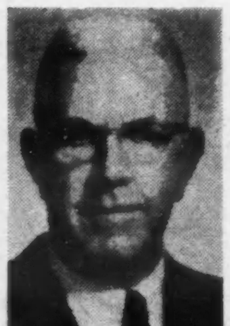
In the meantime, in the domestic gold mining industry we shall have to continue to try to avoid extinction by lowering costs through technical improvements and to keep profits from being completely pinched off as costs in depreciating paper dollars unavoidably mount and while we still have to accept payment for our gold at the prewar price. Eventually, of course, the price of gold in such dollars will have to be raised; but with finite ore bodies, "eventually" is beginning to be a rather painfully long time. And there is surely no satisfaction in thinking that continuation of such policies will in the end hurt the whole economy as well as the gold mining industry.

If the investor is inclined to think that the cycle of the Twenties and Thirties will be repeated in a general way in the second postwar period, he might do well in these strange times to turn to those gold mining enterprises in which a study of the normal factors outlined at the start of these comments indicates that fair profits could be made when the higher price for the yellow metal is actually attained.

FRANK McLAUGHLIN

President, Puget Sound Power & Light Company

Almost exactly one year ago today, the prophets of doom were having a field day. Economic indicators were pointing downward, American versions of the "Sputnik" appeared incapable of getting off the ground and across our land a mood of pessimism seemed to prevail.



Frank McLaughlin

Yet within a 12-month period, the basic resilience of our economy and the ingenuity of our people have once more been demonstrated. The broad recovery, the launching of the "Atlas"—and other manifestations of the inner strength of our system—all have scattered the false prophets to the winds.

If 1958 was a test of the resurgent and recuperative powers of our economic system, then 1959 and the years ahead should see forward progress in a further realization of potentials that stem from solid foundations. With each passing year, through ever-expanding areas of use and a steady stream of new applications, electric power becomes even more indispensable to the better and more abundant life and to the economy and security of our nation. The utility industry must always face up to the challenges of limitless growth and continuous change. The record shows it is doing so impressively.

In 1958 the private utilities spent a record high of $3.8 billion on new plant and equipment—an increase of $100 million over 1957—while total business investment (all industries) is said to have declined in 1958 to $31 billion from $37 billion the year before. Only a decade ago the utilities' annual expenditures for new construction amounted to about $2 billion. Looking to the future, the Edison Electric Institute projects the total investment of the electric utility companies, currently over $40 billion, to more than double by 1968. For Puget, construction expenditures were around $32 million in 1958, which contrasts with $27 million for 1957 and only $6 million spent for such purposes 10 years ago. As a matter of fact, in Puget's case net utility plant is currently almost twice as much as in 1952.

While 1958 was one of the warmest years in the region's history with a conseqent adverse effect on the Company's kilowatt-hour sales, Puget's energy sales have been increasing at the average rate of about 10% annually for the last two decades and our planning is based on the expectation that this percentage gain will continue. Through its own new generation—long-term power contracts and other resources—the Company expects to have sufficient power available to meet a projected peak demand of 1,000,000 kilowatts in the mid-1960's, which compares with 600,000 for 1958. The Company's growth potential arises from the fact that it serves one of the most economically promising sections of the country, where population increased 74.2% in the 15 years ended 1955 and is authoritatively forecast to rise by 60% in the period 1955 through 1965.

Of transcendent importance is that today the people of the Puget Sound-Cascade region are emphatic in their deep-seated demand for cooperation in power. This is evidenced by expressions in the press—in public opinion surveys, and in other ways. A survey made about mid-1958 in the Puget Sound-Cascade region by Louis Harris and Associates shows that there has been a steady growth of sentiment in support of the private-public partnership concept in electric power development. The 1958 survey recorded a 2 to 1 margin in favor of the building of large power projects jointly by private companies and either local public agencies or the Federal government, as compared with a margin of 4 to 3 in 1957. People also rejected the idea of primary dependence on the Federal government for power development by a margin of 5 to 1 as compared to a margin of 3 to 1 in 1957. It is thus apparent that any legislation proposing Federal domination of the power resources of the Pacific Northwest is just the opposite of what the people of the Puget Sound-Cascade region want.

In the long sweep of the struggle our nation is engaged in abroad, the economic dimension is of increasing moment. The Communist adversary is determined to outstrip the free nations in economic growth. Our answer is that of a system rooted in private initiative and at its heart is the electric utility industry. Anything so basic to life as electric service must of public necessity be enabled to be healthy and to thrive. It would be catastrophic if the electric utility companies were in any way prevented by man's shortsightedness from being strong and dynamic.

In the end the answer to the critics and to the prophets of doom is neither ringing phrases nor claims that we are entitled to inviolable rights and privileges, but is in best satisfying human wants.

We of Puget try to be known by our deeds—the quality and scope of our service—the acceleration of our area's economic development—our modern and efficient methods and equipment—and our hard-won progress. So it is with our industry. We face the future with confidence in the fairness, strength and resourcefulness of the people and with the knowledge of their basic respect for the freedom and dignity of the individual, and for human growth.

S. C. McMEEKIN

President, South Carolina Electric & Gas Co.

On the vital twin fronts of practical production and basic research, South Carolina Electric and Gas Co. is moving into 1959 on a swelling keynote of progress.

Underway is a multi-million-dollar construction program which will feed millions of new kilowatt hours of energy into the homes and plants of 23 South Carolina counties.

S. C. McMeekin

As it expands its commercial operations, SCE & G is moving toward the brink of a new era of power production.

The South Carolina firm, cooperating with three other members of The Carolinas - Virgina Nuclear Power Associates, Inc., is in the course of concluding negotiations with the Atomic Energy Commission toward obtaining a contract for the construction of the Southeast's first privately-owned prototype atomic reactor for power generation.

Situated at Parr Shoals in Fairfield County, steam generated by the reactor will be utilized by the generating equipment already in operation at SCE & G existing steam station.

The facilities' anticipated output of 15,000 to 20,000 kilowatts, enough to serve an average town of 28,000 inhabitants, will provide the background of experience for construction of large-scale commercial facilities.

More immediately, SCE & G is moving ahead with a three-year program of expansion which is pumping $67,000,000 into the electrical nervous system of its service area. Approximately $26,000,000 was expended for new construction and expansion during 1958.

Much of last year's investment was channeled into completion of the company's huge new steam electric generating station located on Saluda River near Columbia.

This is the company's eighth operating plant and its fourth steam generating facility.

The first of the new station's generators went into operation July 1, and the second was placed on a commercial production basis early in December, 1958.

Addition of this new generating facility to the 23-country private power network adds 275,000 kilowatts

to the generating capability of the system and brings the system total to 895,000 kilowatts.

The investment in all SCE & G facilities has soared to $238,200,000, a figure which averages out to more than $139,000 per employee.

Electrical service to a wide area of South Carolina—service which includes all of the outside power purchased by the Savannah River Plant of the Atomic Energy Commission—is only part of the SCE & G story.

The company serves Columbia, Charleston, Summerville, Aiken, and North Augusta with natural gas and recently completed a transmission main into the Hampton-Barnwell County area presently to serve large industrial operations. An additional supply of gas has been secured from the supplier bringing the total amount available daily to more than 50,000,000 cubic feet. Plans are underway for the retail distribution of natural gas in numerous towns in the company's service area.

During the 12 months ending October, 1958, natural gas sales climbed to more than 7,170,000,000 cubic feet—an increase of more than 9% above the previous year. The number of natural gas customers has grown from 28,952 in 1956 to 36,353 today.

SCE & G also operates bus service in the metropolitan areas of Columbia and Charleston.

SCE & G is in its 113th year of operation and is rated as one of the oldest utility companies in the southeast.

CRANDALL MELVIN

President, the Merchants National Bank & Trust Co., Syracuse, N. Y.

How is business going to be in 1959? The best way to answer that question is to take a look at recent trends to gain perspective. The second step is to look at the factors affecting these trends to see if they may be expected to continue.

Perhaps the best single measure of our economic welfare is Gross National Product. This measures the monetary value of all the goods and services produced in the country in a given period of time. The accompanying table gives these data and corporate profits after taxes in billions of dollars on a seasonally adjusted basis for the recent past.


Crandall Melvin

You will note from the table G.N.P. declined about 4.4% from its high in the third quarter of 1957 to its low point in the first quarter of 1958. Corporate profits declined about 33% from their peak to their low point. These were rapid and significant declines. Of more interest to us, however, has been the sharp and startling improvement in 1958. This improvement is still continuing and may be expected to continue in 1959.

		G. N. P.		Corporate Profits After Taxes
1957—First Quarter		$436.3	High	$23.1
Second Quarter		441.2		21.8
Third Quarter	High	445.6		22.1
Fourth Quarter		438.9		20.0
1958—First Quarter	Low	425.8	Low	15.5
Second Quarter		429.0		15.7
Third Quarter		439.0		Not Available

What are the reasons for expecting these favorable trends to continue? First, are expenditures for new plant and equipment. In the second and third quarters of 1958 these expenditures were at the annual rate of $30.32 billion. This represented a sharp decline of about 20% from the third quarter of 1957. However, a Dec. 15 release of the Securities and Exchange Commission shows businessmen plan to increase these expenditures in the fourth quarter of 1958 and to increase them still further in the first quarter of 1959. The quest on the part of business for labor-saving and more efficient plant and equipment may be expected to continue. Although no jet thrust upward to our economy may be expected from this source, it is significant the decline has stopped and that gradual improvement may be expected from this important sector.

A second factor which does provide an upward thrust to our economy is purchases of the Federal, State and Local Governments. Here is the record in billions of dollars of Government purchases of goods and services in the relatively recent past.

	Federal	State and Local	Total
1939	$5.2	$8.2	$13.3
1949	25.5	17.9	43.4
1952	54.3	23.2	77.5
1954	48.9	27.7	76.6
1956	47.1	33.1	80.3
1957	50.8	36.3	87.1
1958	53.4	39.9	93.3

Look at that inexorable increase in total Government purchases, particularly on the part of State and local governments! And who would be so brave, or foolhardy, to think programs for new schools, new highways, national defense, agriculture, veterans' benefits, foreign aid, and expanding security are to be curtailed significantly?

A third factor supporting the improvement in business is consumer expenditures. These held up beautifully during the 1957-58 decline in business activity. In fact, they declined in only two of the last seven quarters. In addition, personal savings by individuals are high and reached a new peak in the third quarter of 1958. Here are the recent data in billions of dollars at seasonally adjusted annual rates:

	Disposable Personal Income	Personal Consumption Expenditures	Personal Saving
1957—First Quarter	300.0	279.8	20.3
Second Quarter	305.7	282.5	23.2
Third Quarter	308.7	288.3	20.4
Fourth Quarter	306.8	287.2	19.6
1958—First Quarter	305.0	286.2	18.8
Second Quarter	307.5	288.3	19.2
Third Quarter	314.0	291.5	22.5

These data show consumers have an increasing fund of disposable income which they are utilizing to buy services and durable and non-durable goods. These purchases have not decreased their rate of saving.

The Federal Reserve engages the Bureau of Business Research at the University of Michigan to survey consumers' intentions to buy goods in the future. Their recent studies show an increased propensity toward future purchases. The 1959 model automobiles are of course still an important question mark here.

A fourth factor substantiating our forecast of improved business activity is the fact that of the eight economic indicators developed by the National Bureau of Economic Research to forecast business activity, none is now unfavorable.

Business activity in 1959 should therefore be at an improved and high level. The possibility of a steel strike in July is an unfavorable factor. However, numerous other favorable factors such as inventories and residential construction, could be mentioned. On balance the outlook for 1959 is for continuing improvement aided by the fact consumer prices have stabilized in recent months.

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ROBERT L. MILLIGAN

President, The Pure Oil Company

The petroleum industry entered the year 1958 with excessive inventories of crude oil and refined products and a weak price structure amid one of the sharpest general business readjustments since World War II. Having just completed the 1957 year in which consumption of petroleum products failed to show any improvement, the background at the beginning of 1958 presented a cheerless picture for the year ahead. Now that 1958 has become part of the record we can look back with some satisfaction that the industry has accomplished a very difficult task. Inventories of crude oil have been sharply reduced and currently are some 20 million barrels below the year ago level. The industry has improved substantially its gasoline and other motor fuel inventories which currently are down some 13 million barrels from last year. Supplies of heating oils are in an improved position compared to last year and industrial fuel inventories east of the Rocky Mountains are in reasonable balance with consumers' needs.

R. L. Milligan

As we enter 1959 the current recovery phase of our business cycle is well under way and the outlook is for continued improvement in the year ahead. There are good indications that 1959 automobile production will be higher and will result in a net increase in cars on the road. Sales of petroleum products are reflecting the rising trend in business activity and the industry is currently enjoying an increase of 3% to 4% in product consumption over last year. Backed by this more favorable climate, domestic demand for petroleum products should continue to improve in 1959 with an over-all gain for the year of something on the order of 5%, as contrasted to an increase of less than 2% in 1958 over 1957.

In recent months prices for refined products have strengthened, particularly for heating and industrial fuels. While gasoline prices have not nearly recovered from the recession low, only part of the present weakness is due to seasonal influences. Bearing in mind the industry's present improved supply/demand balance and the expected gain in domestic consumption, the product price structure in 1959 should improve but may not recover all of the over-all decline since mid-1957.

In addition to the increasing potential market for its products, there is hope for needed improvements in the administrative and regulatory aspects of our industry. Just recently the U. S. Supreme Court reversed the "Memphis Decision," thereby removing a serious obstacle to the growth and development of the natural gas industry in its efforts to satisfy the needs and desires of the American public. The gas-producing industry is the only competitive industry subject to public utility regulation. There still remains the matter of relieving the natural gas producer from strict utility-type regulation, which must be accomplished through legislation.

In the matter of imports, the industry has reason to be optimistic that a more effective and equitable plan will be adopted in 1959. There is a place and a need for both foreign and domestic crude oil in our economic structure and plans now being considered should go a long way in providing for our national defense, and in protecting both the domestic producer and the substantial investments of individal American companies abroad.

Earnings-wise the petroleum industry should enjoy a better year in 1959. Financially the petroleum industry is in a strong position and while we face continuing heavy capital requirements in the years ahead, no deterioration in the industry's financial position is envisioned.

B. H. MERCER

President, Fidelity and Deposit Co. of Maryland

In venturing a 1959 forecast for our principal lines—Fidelity and Surety—it should be remembered that regardless of our sales campaigns, advertising and public relations programs overall results are to a large extent dependent on the general economy. Obviously competition and other factors peculiar to our own industry must also be considered and evaluated.

B. H. Mercer

For purposes of this forecast the question is—How will premium income and losses be affected by events of 1958 and conditions which may be anticipated in 1959?

First as to premium income, in the Surety field bonds guaranteeing performance of contracts produce approximately 65% of our total Surety premiums. It is estimated that contract awards in 1959 will exceed by at least 3% the record breaking year 1958. So, increased premium volume in this line can, with reasonable certainty, be predicted.

Another Surety line—judicial bonds, required of executors and other fiduciaries and bonds required in various phases of litigation, account roughly for 25% of our Surety premiums. A moderate increase in this line can be anticipated because rising securities, real estate and other values result in larger estates to be administered, larger awards by courts and juries and naturally larger bond penalities and increased premiums for the surety companies which qualify on such bonds.

In the Fidelity field while 1959 is another so-called off year in the three-year premium cycle some developments during 1958 warrant optimism as to the sale of honesty insurance, particularly to new clients.

During the past year a story of employee dishonesty based on actual case histories was twice told forcefully and dramatically to the 15,000,000 or so TV viewers who enjoy the interesting Armstrong Circle Theatre programs. The employer was shocked by his financial loss and misplaced confidence in a "trusted" employee but fortunately was covered by adequate honesty insurance. For many years we have been privileged to write this type of insurance for the program's sponsor, Armstrong Cork Company.

The widespread interest in these shows has resulted in many new sales of dishonesty insurance and I feel sure this demand will continue throughout the year with increased premiums to the companies writing Fidelity lines.

Early in 1958 member companies of the Surety Association of America which write a very high percentage of all honesty insurance written in the U. S. made available to banks at a most attractive price a coverage designated "Excess Bank Employee Dishonesty Blanket Bond." This bond is issued in one amount, $1,000,000, and provides each purchaser with catastrophe insurance against employee dishonesty subject only to the requirement that the insured bank must carry reasonable amounts of primary insurance.

The need for this protection is clearly indicated. During the first six months of 1958 three banks were closed as a result of under-insured embezzlement losses and four other banks sustained embezzlement losses which exceeded by over $300,000 the amounts of honesty insurance they carried. I feel that hardly any bank can afford not to have this protection and that 1959 sales of this bond will produce some increase in Fidelity premiums.

As to losses, the extent to which anticipated "creeping inflation" progresses will play an important part. For example, many of the large public contracts which we bond require several years to complete. The experienced contractor tries to anticipate conditions which will prevail over the life-time of his contract, but if labor and material costs rise beyond his allowance for such items there will be defaults which would not occur in a period of stable or declining prices. Defaults by contractors usually mean Surety losses.

In the Fidelity field inflation produces similar results. The temptation to embezzle the employer's funds or materials is always greater when living costs are increasing. Some figures recently released by F.B.I. headquarters cite the increase in embezzlements by bank employees and stress the fact that during the first six months of 1958 the number of bank robberies was greater than ever before—including the period when the Dillenger and similar groups operated so freely. Fidelity underwriters are keenly aware of these increasing losses and are actively engaged in loss prevention work.

In summary the forecast for our lines must balance on the one hand increased losses which are almost a certainty against anticipated premium increases and strict adherence to sound and proven underwriting standards. We are optimistic, and considering all factors I predict a reasonably satisfactory year.

DON G. MITCHELL

Chairman, Sylvania Electric Products, Inc.

America's electronics industry will achieve a new record high in sales and revenues in 1959, according to realistic projections of trends that already were well established at the start of the new year. We have every reason to believe that the industry's total sales and revenues this year will be at least 10% greater than those of the previous record year, 1957, and more than 11% higher than the 1958 total. We expect that the industry's over-all volume will reach a minimum total of $14.3 billion this year, compared with $13 billion in 1958, and $13.3 billion in 1957, the previous record year.

Don G. Mitchell

Many factors will play a part in this substantial growth.

However, the principal factor is the dynamic nature of the electronics industry, which has been recognized over the past decade as the world's fastest growing major industry. Despite the great advances that electronics has made in such areas as home entertainment, "electronification" of military weapons and other devices, and in equipment, including computers, for industry and commerce, it is obvious that the surface barely has been scratched and that the great future for electronics lies in new applications still in the drawing-board stage, or in ideas as yet unborn.

Another major factor will be the healthier general economy in 1959, as indicated by such barometers as gross national product, consumer and government spending, employment, and savings. In each of these categories, 1959 is expected to exceed 1958.

Consumer spending for durable goods—which include television sets—is expected to continue its upward curve in 1959, reaching an annual rate of about $40 billion, a gain of about $3 billion over 1958. We believe the public will buy 6,200,000 television sets in 1959, compared with only 5,200,000 in 1958; translated into dollars, this means $1.2 billion (factory price) this year versus $705 million last year. While 1959, at the retail level, will not be a record TV year, it will equal 1957, which was a good TV year with volume amounting to $1.2 billion.

In other areas of the entertainment electronics field, retail sales of home radios are expected to surpass $200 million, against $185 million in 1958, while production of automobile radios will rise to more than $120 million from $77 million this year. The rapidly-growing market for phonographs will reach $67 million or more in 1959, compared with $57 million last year. Another $150 million will be spent for other types of equipment in the entertainment category, against $125 million in 1958.

Growth has been particularly rapid in electronic products for industrial and commercial applications, and the volume probably will rise to substantially above $1.5 billion, a gain in the neighborhood of $150 million. Of the total anticipated volume, approximately $450 million represents electronic data processing equipment, principally computers. The balance consists of a wide range of systems, equipment, and devices in such fields as television and radio broadcasting, mobile radio, microwave relay, marine and aviation equipment, industrial controls, X-ray devices, and test equipment.

It is widely known that electronics in each succeeding year plays a more important part in national defense. Any military plane, for example, is virtually a flying electronics laboratory. Missiles are launched and controlled by electronics; our air defense network is a system that functions entirely by electronics. Less than four years ago I estimated that by 1965 the Armed Forces would be spending about $4 billion a year for electronic equipment. This area of our industry has grown so rapidly that 1959 volume will approach that figure, compared with $3.8 billion in 1958.

The following tabulations round out the expected performance of the electronics industry in 1959, as compared with 1958:

1959	Category	1958
billion		billion
$1.4	Distribution rev. of distributors and dealers	$1.5
$2.4	Telecasting-broadcasting revenues	$2.2
$1.2	Fees and Services and Installation	$1.1
million		million
$980	Parts for repair	$925

If all these predictions concerning the electronics industry come true this year—and there is virtually no possibility that they will not—then every category within the industry will be above the 1958 level. Electronics certainly has earned its reputation as "the world's fastest growing major industry."

THOMAS E. MOFFITT

President, Hooker Chemical Corporation

In the year ahead the chemical industry may expect to face many of the same problems which have concerned its management over the past several years. These include intense competition, rising labor and other costs, resistance to compensating price increases and obsolescence of products, equipment, processes and methods. However, much has been accomplished during the recent recession placing management in a far better position to combat and overcome these problems than has been true in recent years.

Thomas E. Moffitt

Important aspects of our Company's program during the past year which we believe is typical of our industry and which should aid management in 1959 include:

(1) Major effort to reduce costs and other expenses and improved budgetary control in all areas.

(2) Postponement of several expansion projects originally planned for 1958, and direction of capital outlay toward cost reduction, modernization, and efficiency improvement.

(3) Intelligent inventory reduction and control in all categories.

(4) Strengthened sales organization with redoubled sales effort.

(5) Intensified research programs with special emphasis on early commercialization of new products.

(6) Careful study and appraisal of new areas for expansion and growth so prompt decisions can be made when appropriate.

(7) Streamlining management organization, thus providing for greater efficiency.

During the year just ended most companies in our industry experienced a continuing decline of sales and earnings followed by appreciable improvement during the second half of the year. Due to over-capacity resulting from rapid expansion preceding the recession, earnings for the entire year 1958 declined more percentage-wise than did sales, as compared with 1957. Our business bottomed-out in March-April of 1958 and, since August, a steady gain in sales has occurred each month as compared with like periods of 1957. October 1958 produced an all-time record in sales. Profit margins have improved steadily during recent months as sales volume increased.

We are conservatively optimistic in our forecast for 1959, both for our Company and for the chemical industry. This optimism assumes that the general economy will continue the improvement indicated by results of recent months. Forecasts must be tempered, however, in consideration of some uncertainties as to the rate and duration of this improvement. Also to be considered are

labor problems and the question whether much-needed price increases for chemicals can be put into effect.

Other factors on the plus side are the direct results of programs carried out during the recession. These include improved efficiency in all phases of operation, introduction and potential growth of new products, and readiness of new ventures for early undertaking. Because of the potential earnings leverage existing in most companies due to relatively low rate of recent operations compared to capacity, improvement in earnings is practically assured if sales improve. Finally, of utmost importance is the determination of management to take advantage of the many lessons learned during the recession.

In summary, it seems reasonable to expect our industry in 1959 to experience an appreciable improvement in sales and a somewhat greater percentage gain in earnings over those of 1958.

During 1959 we foresee for the industry a modest increase both in capital outlay and in research and development expenditures over those of 1958. Although long-range optimism for expansion and growth of the chemical industry is prevalent, we feel that many large commitments may await more definite proof that resumption of sound growth of the country's general economy is definitely under way.

H. W. MORRISON

President, Morrison-Knudsen Company, Inc.

From reliable statistical and forecasting sources we gather that the construction industry's 1959 volume will be the greatest on record. Careful estimates of public and private work programs indicate that the dollar volume of new construction in 1959 will approximate $52 billion, compared with 1958's $49 billion. Since 1945, the construction industry's annual volume has risen uninterruptedly. While there is an element of inflation in this record, the inflationary element is by no means the controlling factor. Huge backlogs amassed in every division of the industry during World War II, have been maintained by pressing needs incident to the country's industrial and population growth and our military preparedness and conservation development programs.

Harry W. Morrison

Construction costs will continue to rise in 1959. The construction industry itself is burdened with increasing labor costs, as are most other industries. Rising prices of steel, cement, lumber and heavy construction equipment compound the difficulty of holding construction costs to a stabilized level.

The construction boom has attracted many new operators of limited experience. Competition therefore, is keener than it has ever been, resulting in greatly narrowed profit margins. But this cycle of events is not new to the industry and well established companies will continue to develop more efficient and more economical construction methods as an offset to increased labor and material costs.

IRWIN L. MOORE

President, New England Electric System

Business activity in the New England area got off to a slow start in the early part of 1958 and it was only in recent months that there were definite signs of recovery.

During this period, however, electric and gas sales in the service areas of New England Electric System more than held their own, showing for the most part weekly increases over the comparable period of 1957.

Irwin L. Moore

Revenues from electric residential and commercial sales to New England Electric customers increased about seven per cent during the year, more than offsetting a one per cent drop in industrial revenues. Gas revenues continue to show large gains and were up about 12 per cent.

At present we expect consolidated net income for the full year 1958 will approximate $15,850,000, or about $2,000,000 more than a year ago. This means per share earnings should be about $1.29 with 965,662 more average shares outstanding, or about seven cents more than the $1.22 earned in 1957 on a lesser number of shares.

Of late there has been steady improvement in the electric and gas sales in our New England Electric territory and if the last quarter of 1958 can be considered as a barometer, our present outlook is that the industrial recovery now under way will continue through 1959 and all classes of electric and gas sales will show continued steady growth throughout the year.

Many factors have contributed to the improvement in earnings. Better than normal water conditions enabled us to reduce our steam generation which with reduced fuel costs helped offset some of the increases in other operating costs. As a result of our expansion program of the last decade a larger proportion of steam generated kilowatt-hours came from high efficiency units in 1958 than in any previous year. With these larger and more economical units in service, the amount of fuel needed to produce a kilowatt-hour has steadily decreased. Completion last summer of the new Salem Harbor 150,000 kilowatt unit, with the best economy on the System, continued this trend and our fuel consumption per kilowatt-hour for 1958 was six per cent under the previous year.

On the expense side of the ledger our labor and fringe benefit costs went up about 6¼ per cent in 1958 with a further wage increase of five per cent effective January 1, 1959 in accordance with labor agreements negotiated a year ago. The upward trend of taxes is continuing with maintenance, depreciation and fixed charges growing as we add to our plants and properties.

All in all, 1958 has been a busy year and one of progress and accomplishment as expansion and improvement in our properties continue to keep pace with the growth of our New England territory. Total construction expenditures will approximate $38,000,000 in 1958 and our present estimates indicate that over $30,000,000 will be expended for new plant and property in 1959.

Installation of the new 150,000 kilowatt unit at our steam-electric generating station in the middle of 1958 increased that station's generating capacity to over 300,000 kilowatts and boosted our total System generating capacity to nearly 1,500,000 kilowatts.

Great strides were also made on the Yankee Atomic Electric project in Rowe, Massachusetts, of which 30 per cent of the common stock is owned by the System's New England Power Company. Work at Rowe has gone steadily forward and it is expected that electricity will be generated at the Yankee Atomic plant late in 1960.

Plans for the construction of a new tidewater steam-generating plant at Brayton Point in Somerset, near Fall River, Massachusetts are well under way. This new site, recently acquired by New England Power Company, is capable of accommodating a plant of over 1,000,000 kilowatts of capacity. The first unit to be installed is expected to have a capacity of over 200,000 kilowatts, about 50 per cent larger than any now in service in New England. The installation of large highly efficient units at this site will permit us to continue to meet our expanding load with equipment requiring low fuel consumption, while at the same time we shall be keeping the capital cost per kilowatt and our other operating costs at a minimum.

As we look toward the new year, the outlook is certainly more encouraging than it was this time a year ago. With definite signs of industrial recovery, we expect that all classes of electric and gas sales will show increases and continued steady growth in the new year.

Present estimates indicate that 1959 total sales should

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exceed those of 1958 by about eight per cent. It should be emphasized, however, that the overall increase for 1958 is significant enough to demonstrate the stabilizing effect of residential and commercial sales in a recession year. Conversely, the increase expected for 1959 is definitely a recovery rate somewhat higher than we regard as our typical long-term overall growth rate which we estimate at about six per cent per year.

JOHN A. MOORHEAD

President, Northwestern National Bank of Minneapolis, Minnesota

As we enter the New Year, it is evident that business is in a favorable uptrend. The economy of the country has made a substantial recovery from the lows of 1958. The sharp decline in business inventories of the recent recession has been halted and should be materially reversed in 1959. Business expenditures for plant and equipment are no longer declining and may rise moderately before the end of the new year. Unemployment is less than earlier in 1958. Government spending at all levels has been increasing and will probably continue to rise during the new year. Industrial production as shown by the Federal Reserve Index has moved upward most of the way from the low of last spring toward the high of 1957. The dollar value of gross national product assisted by a small price increase is at an all-time high. Personal income averaged higher in recent months than ever before and was at or near its highest at the end of the year. Though we expect these favorable trends to continue throughout 1959, they will probably do so at a slower rate of growth, at least in the first part of the year, than in the earlier months of recovery.

John A. Moorhead

The trade area served by our bank includes most of the Ninth Federal Reserve District and area to the south of it. In this territory, except for the iron ore regions in northern Minnesota, we have had a reasonably good year for our economy in 1958. We had a bumper crop the past year, producing the highest gross income that the farmers of this area have ever enjoyed. The marketing and processing of the crops will carry over into the early months of 1959 and an ample supply of feed is available for livestock for months ahead. While construction was a little below the 1957 level in the early months of 1958, toward the end of the year the volume of construction was growing and new contract awards in the area were running substantially ahead of a year earlier in most categories—residential, private non-residential and public expenditures. These high awards of late 1958 will insure strong construction activity in the early months of 1959. Manufacturing, particularly of durable goods, is not a major factor in our area and such unemployment as now exists in this class of industry is moderate in relation to total employment and should continue to decline on a seasonally adjusted basis. Expenditures by state and local governments will probably increase. Accordingly, we may expect that in this area the dollar value of gross product and of personal income will continue to rise.

Banking has enjoyed a profitable year in 1958 with net operating earnings in line with those of 1957 and profits on the sale of securities has added materially to income. Loans and investments are substantially higher than a year ago primarily through additions to bond accounts. This has been the trend for banks in our region, as well as for those of the entire country. With firmer interest rates than earlier in 1958 and an expectation of a higher dollar amount of loans on the average in 1959, banks may reasonably look for saisfactory operations in the new year.

It is therefore my belief we may expect a good year for business and banking in 1959 with a moderate rise in business activity as the year progresses. In our area, the measure of prosperity in the latter part of the year will be determined by the success of the farmer in the new season, and his success will depend upon crop conditions and prices of his products.

ROBERT H. MORSE, JR.

President, Fairbanks, Morse & Co.

We enter 1959 with optimism and confidence that our business will show an improvement over the past year. The general improvement in business conditions is expected to bring a continuing betterment in the level of orders in all divisions of our company. Close control of expenses and improved operating efficiencies are expected to improve profit ratios in the face of rising material and labor costs.

Robert H. Morse, Jr.

A number of new developments are expected to move into production after satisfactory performance tests. One of the most significant is the new axial flow rotary compressor, a number of which are in successful operation for the Air Force. There exists a large market for this equipment in many types of industry requiring large quantities of air and gases under pressure.

The diesel engine division which has been a major element in our production has shown a resurgence which we anticipate will extend throughout 1959. Increased power demand is resulting in expansion of utility plants. Standby service is achieving broader recognition in many areas where power failure is increasingly costly and crippling. The tremendous growth of inland waterway traffic is bringing many increased power needs for new towboats and tugs.

Our nation's continually expanding population brings with it the accelerating need for water and sewage handling pumps and drivers. To serve this market we are ideally suited with our complete ability to fulfill all size and type requirements, our broad experience with outstanding installations, our extensive research and model testing facilities, and our ability to furnish single responsibility of pump and driver, either motor or engine. A number of large municipal projects have been completed during the year past and many more can be expected that will add materially to our sales volume.

The growth of automation in industry has brought emphasis to the advantages and benefits of electronic weighing equipment. The long and successful history of Fairbranks-Morse in the scale business is being maintained by active research and development of electronic scales and attachments.

The continued rate of housing starts projected for 1959 and the improved farm income situation bodes well for our water system business which stood up well through the past year.

Mechanization of reefer car cooling and refrigeration is opening a large market for packaged diesel units. We have installed a number of these units with excellent operating records and fine acceptance.

In continuing to serve the vital and indispensable needs of man and industry, we at Fairbanks-Morse are looking forward to a growth pattern which is anticipated to show a 10-15% increase in shipments for 1959 over the current year.

With the conclusion of a four year controversy over control of the company, the efforts of management can be fully concentrated on the day to day details of the business. Cooperation with associated organizations is expected to bring added new business.

SAMUEL B. MOSHER

Chairman of the Board, Signal Oil and Gas Company

In 1959 the petroleum industry should reap some of the harvest of benefits from the program of self-discipline it sowed in 1958.

It is true that fuel oil, particularly on the West Coast, is a major problem; margins on motor gasolines are too meager; producers of heavy gravity crudes have suffered from price cuts; foreign governments are threatening to seek a larger share of profits; Congressional agitators will again attack the basic and completely essential depletion allowance. But if oil men had faltered before comparable problems in years past, the world would not today be in the comfortable position of having large reserves of low-cost energy fuel available to spur the growth of industry and speed the progress of underdeveloped nations. Legislators would do well to keep this in mind as well as the fact that the costs of finding new reserves in this country are increasing at such a rate as to make many projects uneconomic.

Samuel B. Mosher

The current problems will be solved. One has only to review the predictions for petroleum demand in the next 10 years to realize the tremendous efforts the industry must exert to keep pace. That the petroleum industry will keep pace, no one doubts, but an adequate profit margin is the key to the industry's ability to meet world demand. In fact, it is the foundation upon which the whole structure must be built.

In 1959 the industry should begin to emerge from the current transition period, and aggressive companies will prosper as they follow what appears to be the inevitable growth pattern yet to be charted for them.

CHARLES G. MORTIMER

President, General Foods Corporation

As one of the few businesses relatively unaffected by the recession of 1957-1958, the food industry has sound reason for optimism in 1959 as the economy moves upward. But to do well in the future, the industry will have to do even better than it has in the past if it is to maintain its record of providing more and better food for fewer hours of work.

To enhance the industry's vitality, to compete successfully for a fair share of the consumer's dollar, it will be necessary to accentuate the long-range concepts and policies which have benefited **both** the industry and the consumer. Hopefully, 1959 can be a "turning point" year which will bring a slowdown in some troublesome trade practices — the gimmick warfare, the excessive use of "deals," and other "giveaways" — which do not make real or lasting contributions to the permanent, healthy growth of the industry nor provide vital service to the consumer.

Charles G. Mortimer

Closer cooperation between all its segments is the key to the better service the industry must provide all down the line. At General Foods, we are striving for better understanding of our customers' problems and the improvement of service, in order to make it more attractive for them to do business with us.

One step we are taking is the development of a new Distribution-Sales Services concept, to custom-tailor our service to meet the needs of individual distributors. By carefully scheduling combination carload and truckload shipments of a number of our products and getting them to our customers on a dependable basis — even on the day of the week that suits the customer best — we help distributors reduce their capital investment through lower inventory levels. Some have been cut by as much as 25%.

Growing and increasingly fierce competition requires unprecedented flexibility and resourcefulness in food business management. Its past record augurs well for the industry's chances for success in the future.

More important, these conditions hold great promise that the consumer, who is the mutual "boss" of all of us in the food industry, will continue to reap ever higher benefits in convenience and quality and at prices she can afford to pay for the greater value we continue to give her.

WILSON MOTHERSHEAD

President, The Indiana National Bank of Indianapolis

The year ahead appears highly favorable for business in general. With the recession mostly behind it, the economy is starting the new year with gross national product at near record levels. Although agriculture and some other sectors of the economy will lag behind, the outlook generally is encouraging.

In Indiana, farm income is expected to drop slightly in 1959. Hog prices will be lower, and cattle and grain prices are expected to decline moderately.

Wilson Mothershead

Demand for consumer durable goods should continue to improve. The automobile and appliance industries will have a better year which will greatly benefit the Hoosier economy. Unemployment in our area, which has responded more slowly than expected to the improvement in the national business picture, will decline to more normal levels. Demand for services will be strong. Inventory accumulation will increase. Department store sales should continue their slowly rising trend. Christmas business was excellent, surpassing 1957 in dollar volume.

New housing starts may trend downward in mid 1959 unless a threatened shortage of long-term mortgage funds is averted. The volume of VA and FHA financing has declined with rising interest rates. Heavy Treasury financing in the coming months is expected to compete in the long-term market for mortgage money. Although new plant construction will be up only slightly, commercial and school, hospital and other municipal construction will be at a high level in 1959 and the Federal highway program will commence to stimulate local business.

Though 1959 will be a good year for Indiana, it will bring problems. Labor contracts in some of our major industries are coming up for renewal. Competition will be a restraining influence on profit margins. Prices will continue to rise although at a slower rate and their increase will be felt chiefly in hard goods and services.

In the banking industry we experienced a sharp downward adjustment in interest rates last year and a rather sudden reversal of the trend, leaving current money rates below their 1957 peaks. Demand for credit should grow as inventories, new construction, consumer purchases and prices increase. These pressures will influence money rates in 1959.

VICTOR MUCHER

President, Clarostat Manufacturing Co., Inc.

With one possible exception, all signs point to probably the greatest year yet in radio-electronics.

First and foremost, we have overcome the design stagnation of the past few years in radios, TVs and phonographs. Until recently, we had no fundamental improvements. Sets bought years ago provided all the entertainment demanded by the average household. The main set in the living room might be supplemented by a second and even a third set for den, rumpus room, bedroom or kitchen. Most cars came through with radios. Portables had become commonplace. But by and large, the usual set was not obsolete and simply was not replaced. And so the radio industry, save for those extra sets in many households, was stagnating to a considerable degree, causing some loss of sleep among manufacturers. But now comes the stereophonic fad. Stereophonic broadcasts are starting up. Using the present AM band, it now looks as though stereophonic programs will be taking over. FM too is in for a big boost with the advent of FM multiplex stereo broadcasts. 1959 may see many present radios junked in favor of the stereophonic version.

Victor Mucher

Much the same thing may happen with TV sets. Several years ago when TV graduated to 17 inch and 21 inch screen sizes, the average household was thoroughly content until color TV might "become practical." Almost every home in the land had a TV, good for years. We faced saturation.

But now we are getting into more realistic TV sound.

Sets are appearing with two or more speakers. It's a foregone conclusion that we shall be getting stereophonic sound with our TV pictures—at a price. It's even safe to predict stereoscopic or three-dimensional pictures—at a price. And so the old TV set faces obsolescence while the TV set business steps into a new era of bigger and better sales and profits.

Then there is recorded music. Stereophonic music has given phonographs, records and tape recorders a brand new impetus. Elaborate "home entertainment centers" housing AM-FM radio, TV, phonograph and even a tape recorder, are selling in the thousand dollar bracket.

Tens of millions of existing radios and TVs must be kept perking in 1959 by established servicemen using tens of millions of dollars of replacement parts, representing an important segment of the components business.

The military business which dominated the radio-electronic industry a few years back, remains a big factor but is no longer our mainstay. Manufacturers have gone back to civilian-mindedness, developing and producing and marketing products which were all but forgotten a few years ago.

The only possible dark cloud on the 1959 horizon is foreign competition right at our doorstep. The Japanese in particular are landing components and assemblies at prices we cannot meet. It will require real understanding and cooperation on the part of American labor and perhaps government measures to keep such competition from becoming a serious threat.

Otherwise, it looks like the biggest radio-electronic year yet.

H. C. MURPHY

President, Burlington Lines

The Chicago, Burlington & Quincy Railroad enters the new year with more favorable prospects than in 1958, and present indications are that 1959 also should be a better year for the industry as a whole. Whereas a year ago the railroads' traffic was declining as a result of the nationwide recession now business appears to be following an upward trend with the general recovery of the economy.

Harry C. Murphy

Aided by the bumper crop of wheat and other grains, the Burlington's traffic turned up last summer, and carloadings for the year were only slightly below the 1959 level. Despite wage increases, total operating expenses were reduced in line with the lower volume of business, with the result that net income increased by more than 10%. For 1959 an increase of 3 to 4% in operating revenues is anticipated.

The freight car supply is expected to be adequate to meet shippers' requirements in 1959. Last year (1958) the Burlington acquired more than 2,300 new cars, including 1,500 boxcars, and other types designed to meet specialized needs. The 1959 equipment program provides for 1,500 new cars, including 600 50-ton steel boxcars with 14-foot maximum door openings; 100 insulated Damage-Free boxcars with cushion underframes; 500 steel hoppers; 100 covered hoppers with a capacity of 3,500 cubic feet; 100 bulkhead gondolas; 50 bulkhead flatcars; 20 Airslide cars, and 30 cabooses equipped with radio. Most of these cars will have roller bearings. In addition, the railroad has scheduled an expanded program of heavy repairs to nearly 4,800 existing cars.

In cooperation with connecting western railroads, the Burlington reduced the running time on its transcontinental freight schedules in 1958. For its accelerated freight service between Chicago and Denver, the Burlington Lines this year will acquire 16 new 2,400-horsepower diesel units, along with twelve 1,750-horsepower road switchers and nine 1,200-horsepower switchers.

Passenger traffic this year is expected to hold close to or slightly above the 1958 level, which was about equal to that of 1957. In their first two years of operation, the Vista-Dome Denver Zephyrs, introduced in October, 1956, carried approximately 420,000 passengers between Chicago, Denver and Colorado Springs, 20% more than rode the former Denver Zephyrs in the previous two years. The Slumbercoaches on the new trains have averaged 32 passengers per car trip—better than 80% of available capacity.

The past year has witnessed growing public recognition of the deep-seated problems that have long hampered the railroads' efforts to compete with other modes of transportation. Much still needs to be done on the legislative level in order to give the railroads fair treatment from government, and equal status with their competitors. Particularly we seek repeal of the excise tax on passenger service; more freedom to adjust our rates; repeal or further curtailment of the agricultural commodity exemptions from regulation; and in tax legislation, more realistic treatment of depreciation of our property.

We hope and believe that further progress will be made toward these objectives in 1959. The relief we seek would help us not only to meet but to make competition, and to fit our service more closely to our customers' needs—thereby helping them and ourselves.

CLARENCE J. MYERS

President, New York Life Insurance Company

Sales of life insurance in the United States totaled an estimated $65,500,000,000 in 1958, about 2% short of the 1957 volume, but still the second largest year we have ever experienced. For the 25th consecutive year new business has exceeded terminations of old policies, and thus once again insurance in force has risen. On Dec. 31, insurance in force in the United States totaled an estimated $493,000,000,000.

Clarence J. Myers

There are two sides to life insurance that I think it is timely to emphasize in a brief commentary like this. In the first place providing contractual payments to policyholders and their beneficiaries must always rank as the primary purpose of our business. It is important to note that these payments are designed to meet a wide range of contingencies. Contrary to what I find many people believe, death claims are not the principal component of benefit payments. Thus matured endowments, annuities, dividends, and miscellaneous other outlays to policyholders totaled an estimated $4,325,000,000 last year, exceeding death claims by $1,400,000,000. In addition, accident and sickness payments, which cover principally disability and medical and hospital expenses, totaled $2,220,000,000. Total benefit payments in 1958 amounted to $9,500,000,000, about $750,000,000 more than in 1957. In both years death claims accounted for only about 31% of these payments.

The other side of life insurance that ought to be emphasized now is the investment side. Over the years we have invested funds not required to meet current benefit payments, and the interest we have received has substantially reduced the cost of insurance to the public. Last year, for example, it is estimated that the investments of all U. S. life companies yielded a net return of 3.85% before Federal income taxes. Stated in terms of dollars these earnings amounted to more than 20% of the premiums the companies received. Without the offset of this interest return, life insurance would be considerably more expensive than it is. The investment side of our business thus has a dollar and cents importance to our policyholders, and needless to say the magnitudes involved make it of importance to the general economy.

Looking to the rest of this year we are all hopeful of selling more insurance to the public than we did during the peak year of 1957. As a matter of fact the U. S. companies wrote more ordinary insurance last year than they did in 1957 but our group volume, which is more responsive to changes in business conditions, declined about 20%. With most business indices now rising there is general expectation that economic conditions will be considerably better in 1959 than they were last year.

Corporate earnings have already risen from the low

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point of the recession. Unemployment, which amounted to 7½% of the labor force last April, has now declined to less than 6%. Disposable income has been rising since last spring. Improved corporate earnings and declining unemployment mean better markets for group insurance. A rising level of disposable income means a broader market for ordinary insurance.

We expect our group writings this year to increase and we are looking for further increases in our sales of ordinary insurance. Insurance in force which has increased in 56 of the 58 years of this century should increase again this year.

With respect to the investment side of our business, as has been true for a number of years past new investments can be made at higher rates than the average rate that prevails on our existing portfolios. Hence, our investment earnings should improve again this year with resulting benefits to policyholders.

In short a good year is in prospect for life insurance, with our insurance sales rising and our investment return continuing to improve.

J. WILSON NEWMAN

President, Dun & Bradstreet, Inc.

Just as many overstated the severity of the 1957-58 Recession, there is a tendency to be excessively bullish on business activity in 1959. Actually, we should be pleased at a situation which is neither a buyer's nor a seller's market. A modest gain in our industrial pace is better for the resources of the economy because it maintains a desirable competitive tension which stabilizes prices and increases productivity. It is just as well to give the edge to the buyer, and keep him in a good bargaining position. During the past year, with the lull in sales, both management and labor relearned a few basic lessons in economics.

In recent months, management got rid of a lot of dead wood, improved its inventory position, cut out waste motion and eliminated waste in materials. With the competition for jobs, both white and blue collar employees paid closer attention to business and productivity improved. Good management in 1959 aims to hold gains registered in 1958. Some of these gains will be due to the recognition of obsolescence, and the discarding of marginal and non-competitive equipment. How does one know that equipment, despite excellent maintenance, is suffering from obsolescence? The answer is simple. When you are losing orders under competitive bids, some one has a better machine or a better method than you have.

We are entering 1959 with more confidence than when we entered 1958, but there is no justification in expecting a boom. Auto sales will improve, and should spark a substantial chain reaction in business activity, but we don't want another 1955, when the auto market was glutted by excessive pressure and normal sales preempted for two years ahead. Let's live one good year at a time, and 1959 should be a productive and profitable year for most of us.

CHARLES F. NOYES

Chairman of the Board, Charles F. Noyes Co., Inc.

Nineteen hundred and fifty-eight will go down in history as the greatest year that New York City has witnessed in the last decade or any other decade of its history. Manhattan has led the procession. It is difficult to cover in this brief statement the activities of the year. Every branch of the business has been spectacular and the volume of the business has been gigantic and at times unbelievable for those who have followed the market for the past 50 years.

Charles F. Noyes

Let's start somewhere — so here goes for *Hotels*, a necessity for any large city. Unbelievable figures and unbelievable progress. Dozens of hotels have changed hands and all are important ones. We witnessed a few weeks ago the sale of the Hotel Plaza that came into existence about the time I came to New York so it is a vintage of about 60 years ago. The Sheraton Hotel chain has fared well in 1958 throughout the country, and in New York they purchased from William Zeckendorf the Ambassador Hotel so as to be among the hosts of Park Avenue. Speaking Mr. Zeckendorf—no one can say he has been quiet in any division of the real estate field in 1958. This is particularly true of his activities in the hotel field. Bill is now host to nearly 6,000 guests in his Webb & Knapp chain of hotels and this is enough to keep William Zeckendorf, Jr., who his father has placed in charge of the Hotel Division, busy 15 hours a day. Webb & Knapp claim they will have a 10,000 room hotel chain here in the city within the next three years and this will come just as soon as he can erect the two large hotels that are now on his drawing-board. Their present hotels include the Commodore, Astor, Manhattan (formerly Lincoln), Taft, Drake and Chatham. Of course, if it were not for the United States Government, who actually compelled Conrad Hilton and his Executive Vice-President Joe Binns to sell the New Yorker and other hotel properties throughout the country, they would probably control the greater part of the business in this and other cities. Mr. Hilton's success, as we all know, has been phenomenal but one does not feel sorry for his having been driven to seek hotel investments abroad because his success in every part of the world has been as remarkable from a financial viewpoint as has his Hilton and Statler chain in this country and particularly in New York City. The Knott Hotels Corporation, under the direction of W. E. Dodd, President, with Irwin Berliner as counsel, has made real estate history in 1958. Their wonderful hotel at Idlewild greets all coming in from other countries, their hotels in Canada and London have been very successful and their New York City hostelries have never been more popular.

Syndicates and Syndictors were little heard of 10 years ago. In 1958 they had the greatest influence on New York City real estate and these investment purchases reached several hundred million dollars of value and took from the market many large important buildings. It is stated that Lawrence Wien, by far the leader of all syndicate buyers, has more real estate under his control than any single individual in the country and next to the United States Government represents the largest real estate interests in the United States. Mr. Wien was the forerunner of syndication. For over 20 years each of his syndicates has been successful and today his interests include practically every type of property including some of our largest hotels, office buildings and apartments throughout the country as well as in New York City. Other syndicators who represent strong buying capacity in real estate in New York City include Louis J. Glickman, who recently purchased the General Motors Building as well as 37 Wall Street (43 Exchange Place), next to the famous J. P. Morgan & Company corner.

Title I Housing Projects—Slum Clearance, Etc.

Definitely and without reservation Robert Moses has done more for New York City real estate and for New York City than any other one man. In every borough and every neighborhood where he has planned or developed for slum clearance or under Title I projects values nearby have rapidly improved and New York City has profited through increases in taxable value. 1958 was a great year of accomplishment for Mr. Moses and his associates and for the people of New York and the City. In James Felt, Chairman of the City Planning Commission, the City has a man dedicated to his duties and no one who has previously occupied his position has had a greater knowledge of real estate or the training that he possesses.

Housing Project in 1959

We have good assurance in 1959 of a housing development south of Wall Street from Broadway to Pearl Street and along the Battery. Five acres are involved (219,000 feet to be exact) in the original plans and scores of outmoded buildings fronting on Broad Street, east and west, will be taken. The development orignally was planned for a high-grade project of 2,500-4,000 rooms with landscaping. The property to be taken produces little income. Only through a Title I proposition could this property with possession be obtained. Hon. Vincent A. G. O'Connor, the unusually able Commissioner of Marine and Aviation is sponsoring a Helicopter Port near the development and adjoining the Staten Island Ferry and near the Brooklyn Bridge several new housing propositions are actively under discussion.

While I doubt if there will be another year in my time with the dollar volume that the real estate market has had in 1958 yet I am certain 1959 will be a year of great activity and a prosperous one with all brokers. I believe mortgage money will be plentiful with 5% rates on conservative 50% to 60% loans and a 5½% to 6% rate will prevail for the much larger loans. Enthusiastic buying will continue and there will be many real estate investors who will seek real estate as the best hedge against inflation and I still believe that in many cases the safest investment of all is New York City real estate if carefully selected.

FRANCIS E. NUGENT

President, The Second National Bank of Nashua, Nashua, New Hampshire

The outlook for banking and business for 1959 is brighter and more certain than it was at the beginning of 1958. A year ago, most economists agreed that there would be a decline in business during the first half of 1958 and a recovery in the second half, based on expectations of greatly increased defense spending, large non-defense spending and aggressive efforts to ease credit. The expected recession was short in duration, and the speed of the recovery indicates that industrial production and economic activity will be much greater in 1959.

Francis E. Nugent

The main stimulants to business in 1959 are expected from greater expenditures for services and non-durable goods by consumers; a high level of expenditures for plant and equipment, although less than 1958; a higher level of automobile production and continued heavy spending at all Federal, State and local government levels.

Businessmen became more cost conscious during 1958, with the result that cost controls and resultant economies were effected and more efficient production equipment introduced. Consequently break-even points have been reduced and, along with an expected increase in the volume of business, should result in greater profits. The year will not be as profitable as most economists expect, nor as profitable as the stock market is trying to anticipate. The greater volume of business and lower break-even points will be offset to some extent by higher labor income resulting from higher wage rates and longer work weeks. While management may be determined to resist increases, labor's demands will be stiffer than usual.

Another offset to higher profits may be lower price levels. Because many industries have increased their productive facilities considerably in recent years, total productive capacity is greater than needed for current demands. Competition for sales within and between industries may check increases in prices. Foreign competition, because of lower costs, will also influence our price levels. Many industrialists are disturbed by the increase in effectiveness of foreign competition and its future implications as to world markets.

The year 1959 will be more profitable for banking because credit demands from consumers and industry will continue at high levels and the Treasury will need funds throughout the year. Although the new issue volume of tax-exempt securities in 1958 established an all-time high, a continuance of spending for schools, roads and other public purposes indicates another new high. The total demand from all sources for long- and short-term funds will be greater than the supply and will result in higher interest rates from loans and investments.

Although President Eisenhower has announced his intention of seeking a "balanced budget," the spending influences of both parties will prevail, contributing to a continual Federal deficit. Control of inflation must depend on the stated policy of the Federal Reserve System to maintain the purchasing power of the dollar and the announced intention of the Secretary of the Treasury to follow a course of anti-inflationary debt financing. This combination means tighter credit.

In conclusion, banking should experience higher gross and net profits, greater deposits, bond losses and fewer loan problems. Banking and financial competition will receive more attention from State and Federal Legislative bodies.

DONALD W. NYROP

President, Northwest Airlines, Inc.

Northwest Orient Airlines enjoyed a good year in 1958, the best year in our 32-year history, as a matter of fact. Preliminary year-end figures which I now have on my desk indicate that Northwest made a record net income of $5,315,000 during 1958. This is up 10.3% from 1957. Northwest became a $100 million corporation during 1958 when it realized total operating revenues of approximately $101 million. Northwest carried 1,575,809 passengers on its domestic coast-to-coast system in 1958, up 16.5% over the previous year. We led the industry in percentage gain in revenue passenger miles flown, 1958 over 1957. Northwest showed a 15.4% gain during the first 11 months of the year, compared to a 0.3% gain for the other 11 trunk airlines.

Donald W. Nyrop

Northwest, during the latter part of 1958, completed arrangements to obtain a line of credit and additional equity financing totaling $83.5 million. This money will be used for the purpose of obtaining pure jet and prop-jet airplanes which will carry us into the jet age. We will have 10 Lockheed Electras flying our routes this year, and five Douglas DC-8 jets will follow in 1960.

In addition, Northwest began operating a new route from Chicago to Florida in December. This route will do much to offset our historical winter traffic decline because of the essentially "cold-weather" route we operate from New York to Seattle across the northern tier of states. The route adds Atlanta, Tampa, St. Petersburg, Clearwater and Miami to our system. When the CAB gave us authority to serve these cities it was the first time any new domestic cities were added to our route system since 1948. Before Northwest began Chicago-Miami service the route was the largest two-carrier market in the entire United States.

The entire commercial airline industry was marred by labor trouble in 1958, much of it at the critical Thanksgiving and Christmas holiday periods. Many travelers were unable to be with their families during these holidays. Public reaction was immediate and justifiable. Costs within the industry continue to rise and the scheduled airline industry has been unable to make realistic fare adjustments to meet increasing expenses. Our average fare has risen only one-half cent per mile during the last 20 years. Meanwhile, prices of products and services the airlines must buy to stay in business have risen more than 45 per cent in the last 10 years. Despite record revenues, the domestic trunklines had an approximate net profit in 1958 of $30 million—about the same as in 1957.

Despite the size and seriousness of the problems that face the industry, I look for a better year in 1959 providing the nation's overall economy continues its upward trend away from the recent recession. Total revenues certainly will be higher and I hope, despite ever-increasing expenses, that the industry's net income will show a good gain. The problems we face now are big, but problems facing those connected with airplanes have been big ever since Dec. 17, 1903.

ROBERT L. OARE

Chairman of the Board, Associates Investment Company

The outlook for 1959 is encouraging. General business activity seems to have shaken off most symptoms of the 1958 business decline and has been rising steadily from the low points recorded in the spring of the year. It would now appear that the nation's economy has rebounded from the recession more quickly than earlier anticipated and there is every indication that the upward trend will continue during the first half of the new year and most likely throughout 1959.

Robert L. Oare

Of particular note during this year's business decline has been the resistance of personal income to downward pressures. As a result, personal consumption expenditures for all types of goods and services continue to be a basic strength in the overall economy even though purchases of some durable goods, particularly, automobiles were postponed this year by many consumers. In view of the continued demands of the American consumer, production has again commenced to rise in order to restore inventories to a more normal level enabling the economy to pick up momentum and move to higher grounds.

Government spending at all levels will undoubtedly continue at phenomenal rates. Business expenditures not only for plant and equipment but for research and development of new products which are equally if not of a greater importance than an increase in capacity should also rise moderately.

At Associates we are particularly interested with the recovery anticipated in the automobile industry, which in turn should also make a significant contribution to the improvement in business generally. While it is difficult to determine the extent of the rise in new car sales, prospects for 1959 appear to be favorable compared to 1958.

Industry output of new passenger cars in 1958 will probably total 4.3 million units, which would represent a drop of 30% from 1957. As we see it, passenger car production during 1959 should be in the neighborhood of 4.8 to 5.2 million cars, which would represent an increase of 10 to 20% over the projected figure for 1958. Registrations in the year ahead should be up a like amount or to a 5.2 million figure and possible rising to 5.6 million, including foreign car registrations. We do not anticipate foreign makes acquiring any greater proportionate share of the overall market.

Some opinions have been expressed that we can anticipate a near record year in new car sales, for 1959, not far below 1955's total of 7.2 million. We believe such an outlook is unrealistic. It must be borne in mind that 1955 was an unusual auto sales year, inflated to a considerable extent by the liberalization of installment credit terms. Competitive factors in recent years resulted in the lengthening of maturities and lowering of down payments and it would seem that in view of the industry's experience during the recent decline in the economy, there should certainly be no further relaxation of terms.

The year 1959 may well be the biggest year in our nation's history, but the continued threat of further inflation, perils any significant benefit to either business, labor or the American consumer. Because inflation poses such a problem to all Americans, agitation for direct governmental controls on various segments of the economy seems inevitable. Controls limited to any single sector of the economy, however, could lead to an even greater inflationary spiral.

Associates look forward to a continued growth pattern, in 1959, based on sound credit principles which have characterized the automobile financing industry down through the years.

JAMES F. OATES, JR.

President, The Equitable Life Assurance Society of the United States

We have been asked: "What lies ahead for the life insurance business in 1959?" Forecasting is always at best a difficult and hazardous task, and particularly so at this time against the opaque background of economic anomalies and contrasts experienced in 1958.

James F. Oates, Jr.

Clearly, economists are not in complete agreement as to either the timing or the extent of probable business growth in 1959. There is, however, considerable uniformity in the view that recovery from the 1957-58 recession will gather momentum and that there is little probability of serious or imminent relapse. The generally accepted economic indices have continued to rise from their recession levels. During the course of the new year it is believed that such indices will probably exceed their mid-1957 peaks. Many sources expect (a) the Federal Reserve Board Index of Industrial Production to go to 149, (b) Gross National Product to approximate $475 billion and (c) disposable personal income to reach $320 billion. We in the Equitable are optimistic and share the

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C. J. Devine Endows NYU Fin. Research

Plans to establish The C. J. Devine Institute of Finance at New York University's Graduate School of Business Administration were announced recently by Dean G. Rowland Collins.

C. J. Devine

Christopher J. Devine, head of the firm bearing his name, C. J. Devine and Company, government bond house, has made a "major individual gift" to establish the Institute, Dean Collins said. The Institute will conduct studies in the money market, Federal Reserve policies, government finance, and related areas, and will publish at least five research bulletins a year. It will have its physical quarters in the School's new $3,500,000 building that is now under construction at 100 Trinity Place. The building is to be ready for occupancy in September.

Dr. Marcus Nadler, professor of finance at the School and a widely known authority on the money market, will be research director of the C. J. Devine Institute.

In announcing the gift, Dean Collins said:

"Always a firm believer in the dissemination of information about the money market, Mr. Devine is establishing this Institute to carry on a continuing program of objective research studies. This is a major and generous contribution for a specific program. It will give the School an opportunity to conduct pioneering financial research and to disseminate the results of a continuing series of studies that will go forward under Dr. Nadler's distinguished and able direction.

"Mr. Devine has been a friend and generous supporter of the School's overall program for a number of years," Dean Collins added. "He has consistently encouraged and assisted employees of his firm in continuing advanced studies at the School."

In 1946 Mr. Devine was elected to honorary membership in the Delta of New York Chapter of Beta Gamma Sigma, the national honorary scholastic society in the field of business.

The new 10-story building for NYU's Graduate School of Business Administration is being constructed between Cedar and Thames Streets, on Trinity Place, two doors north of the American Stock Exchange. It will house a 500-seat auditorium, a library, classrooms, research institutes, dining facilities, and lounges and offices.

The School, which was founded in 1916 as a graduate division of business studies, now occupies a four-story building at 90 Trinity Place. Its current enrollment of 5,200 is larger than that of any other graduate business school.

Wesley Zaugg Opens

KENSINGTON, Md. — Wesley Zaugg is engaging in a securities business from offices at 4132 Howard Avenue, under the firm name of Wesley Zaugg & Company. Mr. Zaugg was formerly with Heritage Securities Co. and Atomic Development Securities Co.

With Hathaway Inv.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — Bernie H. Parsons is now connected with Hathaway Investment Corp., 1845 Sherman Street.

Twin City Inv. Women To Hold Meeting

MINNEAPOLIS, Minn. — The Twin City Investment Women's Club will hold their first meeting of the New Year on Jan. 21, 1959.

The meeting will be held at Coleman's Restaurant in St. Paul. Social hour from 5:30 to 6:30 p.m. will be followed by dinner.

The guest speaker will be A. C. Regan, Vice-President and Secretary, Trust Department, First National Bank of Minneapolis. Mr. Regan will speak on "Trust Investments."

The officers for the coming year are President, Gwenyth Nicholson, First National Bank of Minneapolis; Vice-President, Jeanette Rystrom, First National Bank of St. Paul; Treasurer, Marvel Kinley, Paine, Webber, Jackson & Curtis, Minneapolis; Recording Secretary, Betty Cowley, Farmers & Mechanics Savings Bank, Minneapolis; Corresponding Secretary, Ruby Nelson, Kalman & Co., Inc., St. Paul.

J. G. Pasco Opens

MIAMI, Fla.—John G. Pasco is conducting a securities business from offices at 4039 Ventura Ave. He was formerly with Roman Johnson & Co. and A. B. Morrison & Co.

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view that 1959 will be a year of continued gradual expansion of business activity.

On the basis of statistics from the Institute of Life Insurance and the Life Insurance Agency Management Association, it is now estimated that at the end of 1958 there was $493 billion of legal reserve life insurance in force in the United States, covering some 112 million policyholders. This in force volume is 8% over the 1957 year-end figure. New life insurance sold in 1958 amounted to approximately $65.5 billion. The sale of ordinary life insurance was up about 4% in volume, in comparison with 1957, but group insurance and industrial insurance sales were off somewhat from their 1957 rates, resulting in a net decrease in total insurance sales of approximately 1.8% for 1958.

The average amount of life insurance owned per family in the United States has shown a steady upward trend. However, it still is equal only to approximately 18 months of average disposable income per family. Obviously, there remains plenty of room for growth in the use of life insurance to provide minimum guaranteed financial protection. A recent market survey made by the Equitable reveals that large numbers of people are aware that they ought to carry more life insurance. In fact, a majority of the participants in the nationwide survey sample endorsed the statement that "you should have as much life insurance as you can possibly afford." In view of the existence of a substantial and responsive market and the anticipated increase in disposable family income, the sale of ordinary life insurance in 1959 should be up possibly as much as 10% compared with 1958. Group insurance sales should improve at about the same rate.

According to estimates by the Life Insurance Association of America, as of Dec. 31, 1958 the assets of life insurance companies in the United States were approximately $107.2 billion, up $5.9 billion since the end of 1957. Investment earnings of United States companies in 1958 are estimated to have been $3.9 billion, an increase of $300 million over 1957. The 1958 net rate of investment earnings of life companies before taxes was approximately 3.85% compared to 3.75% in 1957. Investments made in recent years have been at considerably higher interest rates than were available during the 1940s. As the older investments have matured, or have been amortized, funds have been placed in higher yielding investments, and the gradually increasing average rate of return since 1947 should continue in 1959.

According to present trends, the total demand for capital funds in 1959 may be expected to increase over the 1958 level. Interest rates may, therefore, be expected to continue firm or to rise somewhat this year. Life insurance companies now have sizable commitments outstanding and will not lack opportunities for the investment of additional available funds. This situation may well result in a further increase in interest rates for both mortgages and securities.

Life insurance, because of its emphasis on individual savings and its function in capital formation, is one of the most stabilizing factors in our nation's economy. However, as custodians of the people's savings and as lenders promoting the economic growth of the country, the life insurance companies face a special challenge in the continuing threat and danger of inflation. While there is nothing in the current economic picture to suggest a sharp rise in price levels in the immediate future, increased public spending, the probability of more deficit financing by the Federal Government and continuing pressures for wage increases beyond the improvement in productivity still exist as inflationary forces. We, in the life insurance industry, recognize our responsibility in this realm and we intend to participate actively on all levels and in all phases of the anti-inflation fight.

WILLIAM O'NEIL

President, The General Tire & Rubber Company

Accelerated by a tremendous final fiscal quarter in 1958, the rubber industry outlook for 1959 like most of the other major industries in the nation, is very promising.

Few quarters in the history of our company compare with the final three months of 1958, and we project vigorous business for all our divisions in the year ahead.

W. O'Neil

The future of the rubber business appears especially expansive. The replacement tire demand in 1958 hit the expected record total. There are indications that this rising demand will continue in 1959 and for years to come. If the automotive industry rebounds as expected, our industry faces the biggest production demand it has ever known.

Total production figure for the industry has been set at 111 million units in 1959. This figure could well be on the conservative side.

To best illustrate General Tire's plans to meet the growing demands, the company's board of directors recently authorized the construction in 1959 of a third tire-building plant. Site of the new factory, a multi-million dollar investment, will be announced in the immediate future.

Many factors point to a rising tire demand. Vehicle travel on the nation's highways is increasing daily. The nation's 100-billion dollar highway program is now moving along encouragingly, and this road-building progress will reflect in greater demand for tires.

Few people realize it, but American motorists today are paying less for tire mileage than they did 25 years ago. What other commodity costs less? The quality of product is a tribute of our ceaseless search for better materials, better engineering and better workmanship.

Encouraging as is General Tire's outlook in its tire and rubber business, we foresee an equally promising future for the company's sizable investments in such other basic industries as the missile field, chemicals, plastics, wrought iron and steel, and the entertainment field through radio and television.

General Tire's Aerojet-General division is expected to serve an increasingly more vital role as the United States scientific and defense organizations step up their research and development explorations into outer space.

For years a major factor in most of the nation's principal rocket, satellite and rocket-propulsion programs, Aerojet-General today is also a leader in such challenging fields as nucleonics, nuclear energy, infra-red guidance marine- and architectural-engineering.

Our scientific developments in the missile field have been amazing, but the accomplishments of the future will be even greater. Aerojet-General unquestionably will be an important contributor with its scientific "know-how" in all outer space explorations.

Our confidence in this scientific and defense phase of business is forcefully demonstrated by the millions of company funds we have poured into it.

Both General Tire's Chemical and Plastics Divisions forecast rising demands in 1959. Again our research has created new products in many new fields and for many new end uses that bring about an encouraging outlook. This is particularly true in our plastics operations. The automotive, aircraft and furniture businesses will make greater use of plastics in 1959.

Through its RKO Teleradio division, General Tire also expects to experience its most profitable year in the entertainment business. Having divested itself of its interests in unprofitable film-making, this division now has an encouraging future, as both radio and television help provide the entertainment needs of our peope who will be enjoying more and more leisure time in the future.

Through its investment in the A. M. Byers Company of Pittsburgh, General Tire has an important stake in the wrought iron and steel business. In a year when most of the bigger companies in this industry were operating under capacity, the Byers Company made substantial gains in 1958. With the industry's outlook for 1959 considerably brighter, Byers is anticipating an increasing demand—particularly in wrought iron, of which it is the world's largest producer.

In summary, our overall outlook is bright. All facets of the nation's economy have turned upward, and there is every reason to predict gains for all of our basic industries. For the companies that have planned well, the year 1959 will be a good one.

FRANK PACE, JR.

President, General Dynamics Corporation

General Dynamics operates in a broad field of defense and commercial manufacturing, and I am happy to say that prospects for the coming year in all our enterprises seem excellent. The use of one of our standard Atlas intercontinental ballistic missiles as a vehicle for the project SCORE satellite not only proves again the value of the Atlas as a reliable weapon, but also demonstrates its versatility in the scientific field. Other missile and space projects under study or development also give promise for the future.

Frank Pace, Jr.

In the submarine field, the spectacular voyage of the USS Nautilus from the Pacific to the Atlantic under the North Pole likewise opened vast new fields of knowledge under the sea. During the coming year we expect to make important strides in wedding the ballistic missile with the submarine through construction work on the nation's first Fleet Ballistic Missile submarines, the George Washington and the Patrick Henry.

In the near future the world's fastest commercial jet aircraft, the Convair 880 will make its initial flight. It is my opinion that this aircraft will be the dominant aircraft of the decade of the 'sixties, providing not only the top speed in the jet field, but also an economy of operation which will permit the aircraft industry to increase its already superb performance in serving the public.

Other aircraft programs in production or pre-production stages include the B-58 bomber, the world's fastest multi-engine aircraft; the F-106 Delta Dart, supersonic all-weather interceptor; the CL-28 submarine hunter; the CL-44 and Canadair 540 turboprop passenger-transport airliners; the CL-41 jet trainer.

Our work in the nuclear field is also proceeding on a broad front. During 1958 the Triga reactor conceived and constructed by the General Atomic Division was part of the United States Government's exhibit at the Second International Conference on the Peaceful Uses of Atomic Energy in Switzerland. Inherently safe and ideally suited for training, research and isotope production, this reactor is finding broad acceptance in the international market. The General Atomic-Electric Boat program for development of a Maritime Gas Cooled Reactor for the United States Government has entered an experimental phase. Work on an advanced graphite gas cooled reactor for the High Temperature Reactor Development Associates, a group of more than 50 leading utility firms, is proceeding rapidly. We are also continuing investigation of controlled thermonuclear reactions and the use of nuclear detonations as a means of propulsion.

We also foresee interesting and profitable developments for Dynamics in our electronic, compressed gas and electric motor operations. Our electronics activities show tremendous growth potential in a rapidly expanding field. Our activities in the commercial field of independent telephone are on the increase and in the fields of liquid oxygen and liquid nitrogen as well as carbon dioxide, we will expand with an expanding economy.

HARLAND E. PAIGE

President, First National Bank of Akron, Ohio

The Akron area enjoyed a comparatively good total result in 1958. Nineteen-fifty-nine should be an even better year. Replacement tire sales will probably be larger and machine shops and other diversied activities of the area should expand, and, in fact, have already turned the corner in most instances.

I expect that this central lakes area is moving into an expansion period that will outstrip any previous industrial activity record. With railroad, trucking, and water routes available, more and more industry is bound to maintain production in the radius of 120 miles. Akron is ready for this expected growth with expanding water availability and more express roads with close proximity to the Ohio Turnpike and the proposed North-South expressway. This is a great growth area.

W. A. PARISH

President, Houston Lighting & Power Company

Houston and the Texas Gulf Coast area will be one of the bright spots of the continuing national economic recovery during 1959.

Economic indices show that this area has just about overcome the recession which started here in the fall of 1957 and continued through nearly three-quarters of 1958.

W. A. Parish

One of the biggest factors in the recession here was the slump in the oil business which spread quickly to allied machinery and primary metals industries.

Abnormally high inventories of crude oil and refined products, with which the industry started 1958, have been lowered substantially. Demand for petroleum and its products is expected to rise 4 to 5 per cent over the nation in 1959. Since stocks have been reduced, this demand will have to come from new production.

Recent Supreme Court decisions have paved the way for renewed rapid expansion by interstate natural gas pipeline industries, many of whom are headquartered here.

Metropolitan Houston's 54 banks passed the $2 billion deposit mark late in 1958, indicating that the Houston consumer is well fixed financially to fuel the economic recovery of the area.

Construction contracts awarded in Houston and Harris County alone during 1958 passed the $400 million mark—an all-time high. Some slackening of residential building may be experienced due to temporary unavailability of loan funds, but construction is expected to continue at a high level during 1959.

County and State highway and freeway construction in this area reached a new high last year, and 1959 will bring even more road building expenditures.

Both railroad and Port of Houston tonnage increased during 1958, and it is felt that 1959 will see an acceleration of this trend.

Where there is general improvement in the basic industries, retail sales usually follow suit.

Local utilities let contracts for a high level of construction work during 1958, reflecting their faith in this area's sound economic bases.

Houston Lighting & Power Company alone will spend between $65 and $70 million during 1959—more than any other local business—in its program of doubling its generating capacity in a three-year period. All classes of our customers increased their usage of electricity, but residential per-customer consumption during 1958 showed an all-time record increase for the year.

A great deal of money for our company's generation, transmission, and distribution expansion programs has been spent throughout the recent business readjustment. There are two main reasons for this.

First, we were and still are confident that the many and diversified economic bases for this area's spectacular growth were still present, and that Texas-style expansion of business activity would soon resume.

Second, electric power cannot be manufactured and stored in anticipation of demand. Since it takes approximately four years from the time an order is placed to the completion of an electrical generator, we could not wait until the needs for increased electric service developed before ordering reserve capacity.

Nothing we have seen makes us regret our decision to expand.

There will be no slowdown here of the business upswing due to a shortage of electric power

CHARLES P. PARTRIDGE

President and Chairman of the Board, Central Valley National Bank, Oakland, Calif.

During 1959, I feel that banks will channel more and more effort toward bringing banking to the people, making them aware of the many services banking provides, and encouraging them to use all the facilities and conveniences offered by banks. Many thousands are just reaching maturity, striking out for themselves, and discovering the important role that banks play in everyday living.


Charles P. Partridge

We are on the crest of a population wave such as the world has never known. New marriages are bringing into being new households, new families, new wants. Homes are being bought, modernized, enlarged and furnished. One-car families are becoming two-car families. Power lawnmowers are no longer the rarity they were a few years back.

All of these advances have been made possible by the extension of credit—from the engagement ring right on down to buying a bicycle for junior. Instalment buying is here to stay. Credit is commodity.

Monthly payments resulting from instalment buying have given the family a close association with the common household convenience known as the checkbook, writing considerably more checks than their parents did. The average family also has a savings account, and the bank encourages this practice of thrift.

But checking and savings accounts are just two of the many services offered by the bank. Banks must continue their program of educating the public to make use of the many other services available. This will take the form of a combined advertising, merchandising and word-of-mouth program—a consistent effort that will gain momentum as it progresses.

A start in this direction is the design and construction of bank buildings that appear less formidable and more friendly. The continued practice of improved public relations within the bank will also be encouraged during 1959. A friendly smile on the part of bank personnel has invited more queries, opened more accounts, and helped arrange more loans than most people realize.

Active participation in community projects and undertakings by banks during the year, will help communicate a spirit of friendship and cooperation, that nurtures confidence and trust.

Solicitation of personal and commercial loans will be continued with emphasis. Certainly there is no stigma attached to wanting to borrow money from a bank. Going into debt for a good reason is often indicative of a progressive personality—a man with ideas, a man with foresight—a typical American business man. Many of the nation's most successful businesses owe their origin and growth to borrowing money when it was necessary for the progress of the enterprise. Adequate financing is the lifeblood of ingenuity. It is the medium for bringing new ideas to fruition.

During 1959, I see for banking the development of the faculty of meeting the human equation on an even keel. This calls for the expert sifting of plans, dreams and wants—coping with sentiments and emotions, and in spite of all, arriving at decisions based on sound thinking.

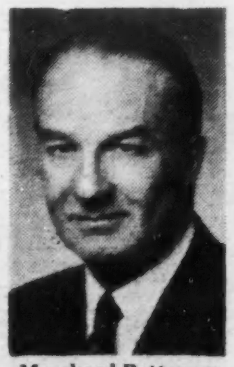
This is banking with a "down-to-earth" flavor. This is **bringing banking to the people**—not only by establishing more banking offices in more communities—but also by considering **two basics**: the basic of **banking**, and the basic of **people**.

MOREHEAD PATTERSON

Chairman of the Board, American Machine & Foundry Company

There are a number of factors that should be working for us in 1959 to make it an outstanding AMF year.

Our bowling business, including the rental of AMF Automatic Pinspotters and the sale of bowling equipment, such as Underlane Ball Returns, bowling lanes, balls and shoes, will continue to grow and be one of the most profitable parts of our business. We installed 10,000 Pinspotters in 1958 which will produce rentals for a full year in 1959 in addition to the more than 30,000 Pinspotters we already had out on lease at the beginning of 1958.


Morehead Patterson

Although the construction of new bowling centers has been slowing down a little from its tremendous post-war pace, it has not reached the saturation point. There are still many areas of the country where we hope to promote tenpin bowling. We are also planning to enter foreign markets with Automatic Pinspitters. Another favorable factor that should increase our profits this year is our defense business, spearheaded by a $29,300,000 contract to design and develop the nation's first underground launching system, for the TITAN intercontinental ballistic missile. We have also reoriented our defense products goals and eliminated marginal operations and others that did not conform with our new objectives. Thus, we anticipate that profits will replace losses in this field in 1959.

The industrial and general products part of our business showed improvement during the latter half of 1958. We expect this trend will continue into 1959.

In atomic energy AMF continues to be the world's leading designer and manufacturer of nuclear research reactors. In 1959 we expect to complete the construction of reactor projects in New Jersey, Florida, Canada, Japan, Italy, Greece, Portugal, Israel and Austria.

In the tobacco field we are making continued progress with our Microflake Cigar Binder and Microflake Cigarette Filler process, which is a way of combining minute particles to tobacco and a special adhesive in strip form.

The end product helps cigar and cigarette manufacturers improve quality and at the same time cut costs. We have built Microflake plants for several leading cigar and cigarette manufacturers in the U. S. We anticipate further growth of this program particularly overseas.

For the baking industry AMF has developed the AMFLOW process for the continuous fermentation and mixing of bread dough. This process, in contrast to the baking industry's traditional "batch" method can produce from 4,000 to 6,000 one-pound pieces of bread dough an hour. We expect to find a ready market for this process in large commercial bakeries throughout the country in 1959.

With all of these prospects on the horizon, and with continued general economic improvement in the country, we look for 1959 to be the best year for earnings in the history of our company.

HOWARD P. PARSHALL

President, Bank of the Commonwealth, Detroit, Mich.

Another year can now be recorded in our history. Economically, while it has been a year of recession in the United States, we in this country have been operating at a very high level. Part of the decline in business activity which we experienced the latter part of 1957 and 1958 was due, in a large measure, to the fact that production has finally caught up with demand. We all remember when automobiles were short, when tires were short, when electrical appliances, housing; in fact nearly everything that people needed was in short supply, due to the aftermath of World War II and to a lesser extent the Korean War. Now, there is scarcely anything in short supply, so, naturally, in the very nature of things business activity was due for a slowdown.


H. P. Parshall

We, in the Detroit area, have been particularly hard hit. Comparing the first 10 months of 1958 with like period a year ago, we showed declines in this area in almost all lines of activity, including construction contracts, new dwelling units, car and truck output, power consumption, production of steel and department store sales. These losses range from 9% to 35%. One of the greater losses, of course, was in automobile sales and production. Bank debits were down 13%. Weekly factory pay and hourly factory pay, in our area, showed a slight increase over the preceeding year. This seems odd when you consider the fact that many people were out of work. It is, in the writer's opinion, just another indication of the inflationary trend.

Starting about mid year 1958 in the nation generally, our economy started to show gains in many categories and this has continued. Two or three months ago, our newspapers, magazines commentators and economists were all stating that the upturn had come and were very, very optimistic for the future. This enthusiasm has been somewhat dampened by events. True, we are on the upgrade; but not at as rapid a pace as some of our vocalists seem to predict.

I have some figures before me published in the Dec. 15, 1958 issue of the Detroit Board of Commerce publication, "The Detroiter," in which they forecast that passenger car output in the United States will increase approximately 27% in 1959 over 1958, that residential building will increase 18%, that unemployment will decrease considerably. They predict an increase of over 5% for department store sales in 1959; in fact, increases from 8% to 27% are predicted for almost all major lines of endeavor in our area, with an over all increase for our Detroit area, 1959 over 1958, of approximately 10%. In our bank, we have witnessed a slight upturn in activity.

We, of course, have many troubled spots nationwide; and they seem to be interwoven—inflation, taxes, labor force and as above mentioned, the rise of wages in a depression year. We try to do something about these troubled spots, but we do not go to the heart of the matter. For instance, inflation would not be difficult to control if instead of using our debt and interest rates to control it we got to the heart of the matter, reduced expenditures and paid off a portion each year of our national debt. Taxes need a thorough revision. They are too high and can be reduced, in fact they must be reduced if we are to survive. The idea of progressive taxation on incomes must be abandoned. Our national government and our state government must be governments for all of the people, and not for any particular segment of the people. We are witnessing the highest court of the land taking over executive duties by making decisions and interpretations of the law based on expediency rather than on justice and the law. We are seeing directives issued by our many bureaus having the power of law.

Nineteen-fifty-nine should prove to be a better year than 1958; but in order to justify our form of government in the future, we must remedy—or at least promptly take steps that will remedy many of the now existing injustices in our economy.

If I were to suggest a remedy for our ills, I think it can all be summed up in one word. Of course, we must think of that word in its broadest meaning and application as being applicable to all persons and all things, and that one word is INTEGRITY.

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HON. WRIGHT PATMAN

U. S. Congressman from Texas

Some of the business journals are predicting that the new Congress will be "anti-business." Clearly it is the Democrats, not the Republicans, who will insist upon a full business recovery and a return to full employment, yet I think that in a certain sense the prediction may come true. Let us take the matter of where the Congress may turn for advice and guidance on the big economic questions of the day.

Hon. Wright Patman

For several years now leaders in the business and financial community have been persuading themselves, and persuading the country, that only "monetary controls" are the proper instruments for guiding the level of business activity in the country. And almost equally, these leaders have campaigned for checking inflation — an objective with which almost e v e r y b o d y agrees. These propositions, together with a somewhat less firmly held notion that the Federal budget ought to be kept in balance, make up the main advice which the business and financial community seems to have to offer.

Yet by now it is clear to almost everybody that tightening money or raising interest rates succeeds in checking inflation, if at all, only when these brakes are applied so hard that the country is kept in a state of high unemployment and low production. Indeed, this method of checking inflation is presumed by its sponsors to succeed because a state of wholesale unemployment will operate as a psychological club against management's raising prices and labor's demanding wage increases.

How then can reasonable men square such an economic policy with Khrushchev's "challenge" to race with us in increasing production, advancing scientific knowledge and improving living standards? This is no challenge which we can accept or reject, but a race which we were already running and from which we cannot retire; we can only win or be beaten. And the facts are that Russia's economy has been growing between 7% and 10% a year, and the Soviet's new seven-year plan calls for an average growth of 8% a year. In contrast our growth has averaged less than 2% a year during the Eisenhower Administration.

Another point: while the country's business and financial leaders have insisted that Federal economic management rely almost exclusively on money and credit controls, they have been fully content that the money and credit controls in use are at least 40 years out of date, as is the legislative basis for these controls. Indeed, they have been opposed even to a congressional inspection and review of this machinery. The overdue investigation of the money and credit system must now be made, even though the country's business leaders—men who are reputed to be quick to adopt for their own businesses electronic quality controls and the most advanced instruments for inventory and other controls—continue to insist that instruments 40 years obsolete are good enough for the Federal establishment.

The recent recession has dramatized the point that inflation can result from either of two causes: it can result from increases in the supply of money and credit outrunning the supply of available goods and services. This generally means, though, that demand will be pressing upon productive capacity; and deficit government spending is not itself inflationary, except that it increases demand at such times. The second cause of inflation is by all odds the more serious in the recent and present settings. This is the arbitrary power of big-business industries to raise prices—to meet wage demands, present or expected, or for any other reason. Each of several hundred corporate managements has the power to devaluate the dollar, by their routine price decisions, and frequently exercise this power. At the moment the officials operating the country's "monetary controls" seem to be probing for that level of unemployment which will serve as a satisfactory psychological club against such price increases; but it is apparent that the level of unemployment which will produce the necessary psychology at one time may not produce it at another. Indeed, we witnessed price increases being made last summer—when unemployment had risen to alarming levels—and being made by industries operating at no more than half capacity.

The central problem of government today, as I view it, is to find a widely acceptable method by which high levels of production and employment and a rapid rate of economic growth can be maintained and at the same time maintain price stability. There is no longer a choice whether we shall have just one or the other. The new Congress must, it seems to me, design measures to deal directly with inflation, as well as measures to make very substantial improvements in the system of money and credit controls.

So it is in this sense that the new Congress will probably be "anti-business": it must look for economic intelligence and advice elsewhere from that offered by the central thinking of the financial and business community today. Or alternatively, the financial and business community must come forward with more constructive policies and suggestions. Personally, I hope the latter will be the case, but as yet there is little evidence to feed this hope.

T. S. PETERSEN

President, Standard Oil Company of California

The U. S. oil industry outlook for 1959 is a promising one, with an increase of nearly 5% anticipated in domestic petroleum consumption over 1958, and a gain of double that rate in Free Foreign World oil requirements.

Although the domestic industry's sales and operations are expected to be consistent with the continued increase in U. S. economic activity, there are real problems with which the oil business is and will probably continue to be confronted during 1959. For example, while supporting wholeheartedly the nation's long-awaited program of highway expansion, the U. S. petroleum industry views with grave concern the prospect of additional Federal gasoline taxes which have been proposed as a means of meeting an anticipated deficit in financing the program.

T. S. Petersen

The American motorist is already burdened with a total vehicle fuel tax which accounts for more than a third of the average price he pays for gasoline. An increase in the Federal gasoline tax could retard normal growth in highway tax revenues by discouraging the use of cars and trucks—a result which would tend to do the proposed highway program more harm than good. Federal gasoline taxes already are paying for more than 80% of the Federal cost of the highway program.

Another problem, restricted to the West Coast area, is the burdensome surplus of fuel oils created by the abnormally warm winter weather of 1957-58, the economic recession of the same period, an oversupply of natural gas, reduced military requirements and an abundant supply of hydroelectric energy. There are indications, however, that a substantial part of this fuel oil surplus may be dissipated by shipping to markets outside the West Coast area.

Domestic oil production in the coming year will be strengthened substantially, in contrast to the 1958 level, and any volume losses experienced should be recovered in 1959. Domestic consumption will rise about 430,000 barrels a day over 1958 to a total of approximately 9,390,000 barrels daily. Except for the fuel oil situation in the Far West, inventories generally will be in much better balance than in 1958.

In the field of petrochemicals, the outlook is one of continued growth. With petroleum and natural gas serving as the raw materials for almost 3,000 chemicals, it's estimated that more new uses for petrochemicals are being discovered at the rate of 300 to 400 per year. In terms of sales value, petrochemicals now represent about 60% of all U. S. chemicals. There is an excess in installed capacity at present, and the competition in the basic petrochemical field during 1959 will be extremely keen.

ROBERT PAXTON

President, General Electric Company

As is well known, the activities of the General Electric Company fall broadly into three major customer groupings. First, there are the customers for apparatus and industrial types of product, ranging from steam turbines to watt hour meters. Second, there are the customers for consumer types of products, ranging from refrigerators to lamps; and finally, there are cusomers for the electronic, atomic and defense activities, ranging from tiny transistors to complete radar systems. For all of our activities other than defense, we watch with very great interest the behavior of some rather simple indices which we have been following for a number of decades. The first of these is the number of kw hours consumed in the average home. For many decades this indicator has been doubling about every decade. The present average of 3,400 kw hours per home is expected to equal or exceed 6,800 kw hours by 1968.

R. Paxton

Another closely watched index is that of kw hour consumption per production worker in manufacturing. This too, has been increasing at about the same rate as kw hour consumption in the home, and by 1968, it is expected that the present average of 23,500 will increase to 42,000, or more.

Adding in the accepted forecast for increases in population and the somewhat higher increase forecast in the rate of formation of new families, we have a rather good indication of the median line of growth for the electrical manufacturing industries civilian products during the next decade.

A look at the international situation suggests that there is little reason to believe that we shall not continue for some years at least to maintain if not accelerate the development of defense weapons, and unhappily we appear driven to the conclusion that these activities will be more apt to increase than decrease in the foreseeable period ahead. The problem of forecasting the median line of growth is one which can be approached with some considerable precision, since it is a process which our company has been following for many years. It goes without saying, however, that over the forecast periods, the actual levels of business will fall at times above and below the median line as a result of the operation of exceedingly complex cyclic rhythms.

The estimation of particular position for the year ahead actually becomes a matter of estimating among other things the political-economic climate which will prevail during the next 12 months. Since in modern times our economic activity has been greatly influenced by international events, such forecasting demands more knowledge of the development of future international events than any of us possesses.

In the electrical manufacturing businesses, weather itself plays a major role. With the advent of modern air conditioning equipment, the volume of sales is tremendously influenced by the character of the weather and in turn the disappearance of reserve electrical generating capacity in times of very hot, humid weather is frequently a very real spur to the placement of orders for heavy electrical equipment. Unhappily, here too, despite the Farmer's Almanac, long-range weather forecasting is hardly a precise science.

All in all, however, it would seem that 1959 for the electrical manufacturers will be about the same kind of year as 1958. There would appear to be a somewhat lower level of activity in the heavy apparatus fields but a somewhat greater activity in the area of consumer products. No decrease in the levels of defense spending appear to be indicated as far as the electrical manufacturers are concerned.

Our power companies would do well to remember that customarily it takes between two and three years to design, manufacture, and install modern large steam turbines, and somewhat shorter periods of time for the manufacture of today's very large power transformers or high voltage switchgear.

Since turbines ordered in 1959 will not be producing kw hours on utility systems until 1962 or later, it is already apparent that many utilities once again are going to delay too long the ordering of units for capacity increases, with the result that adverse weather factors in 1962 may subject utility companies to some public criticism as power shortages could readily develop.

C. W. PLANJE

President, Gladding, McBean & Co.

In attempting a personal prediction of the business outlook for 1959 it is with the sincere hope that an honorable peace may be maintained among nations throughout the world. Any interruption thereof would reduce the best intentioned analysis to a compilation of words.

C. W. Planje

The slow but steady reversal to trends established during the first half of 1958 are expected to continue during 1959, but the rate of increase will not be as dramatic as that experienced in 1955-1956. The levels of activity reached prior to the 1957-1958 recession may not be achieved prior to mid-1959.

It is becoming apparent that construction, both commercial and residential, will maintain the l e v e l reached in 1958 and may exceed it. In my opinion there will be some improvement in the rate of expenditure for capital improvements as industry again experiences a favorable trend in volume, but such improvement will not be significant. The basic reason for the latter observation is the tendency towards lower corporate profit in relation to sales volume.

In general, the year 1959 appears to be one slow but consistent improvement without the dramatic changes experienced in prior years. It may well be the year of preparation for the expanded economy predicted in the years 1960-1970.

H. H. PLANK

President, Delaware Power & Light Company

We know now that 1958 will be another record year for Delaware Power & Light Company with highest revenue and earnings in its history. Construction expenditures of approximately $20 million will have been made by year-end. A second 85,000 kw. generating unit has been placed in operation at the Indian River Station in lower Delaware. The 138,000 volt transmission system was extended to connect the Indian River (Del.) and Vienna (Md.) stations with the Wilmington area generating capacity thus increasing the company's ability to meet emergencies and operate its generating capacity at maximum efficiency. The gas supply system was reinforced through a second delivery point from the pipeline company.

H. H. Plank

The company is in position to take on substantial increases in sales during the next two or three years with less than normal capital expenditures. The expected capital expenditures during each of the next two to three years are approximately $12 million, most, if not all of which, will be generated within the company making further public financing unnecessary.

During 1958 the company redeemed $15 million of 5% bonds and issued $25 million of 3⅞% bonds, thus retiring high interest rate bonds and providing $10 million of additional capital for the construction program.

Delaware is now reported to be the fourth fastest growing state in the nation and general business activity in the area reflects that growth. The upswing in business has been apparent for several months and the

company is looking forward with optimism to a continuation of this upswing in general business which promises to make 1959 another record year.

FREDERIC A. POTTS

President, The Philadelphia National Bank, Pa.

At the present time the opinion generally held is that business during 1959 will continue upward, the only question being how rapid the advance will be. With the Index of Industrial Production at 141 against an all-time high of 147, reached in December of 1956 and a low of 126 in April, 1958, it is clear that the upswing already has been significant. This improvement has been accompanied by a number of broad changes in the securities markets. In the case of interest rates, the peak was reached in the Fall of 1957 and the low early in 1958. Since that time yields have advanced rapidly with long-term Treasury obligations and high-grade corporates up to the 1957 highs. Bill rates and the prime bank rate have likewise rebounded although still below the peaks reached during 1957. In the stock market prices have reached new all-time highs. For commodities the rise has been modest but the upward pressure continues. The estimated Federal Government deficit of $12 billion for the fiscal year ending June 30, 1959 represents a peacetime record. Since February of 1958 the banking system has absorbed an outflow of gold totaling $2.2 billion. At the member banks, the net positive reserve position has recently averaged $44 million which compares with $703 million in July and a negative figure of over $700 million in July of 1957.


Frederic A. Potts

Those elements in our economy responsible for these developments during 1958 are still with us. Business is forecasted to expand and it is likely that there will be continuing demands on the banking system for funds which could result in an increase in loans and a liquidation of securities with further pressure on prices. Costs in many industries will be higher although mechanization and new equipment will moderate such advances. Preliminary estimates for the 1960 Federal budget indicate a balanced position but this has yet to be converted into an actual accomplishment. The demand for capital will not be limited to the United States and many countries will be looking to America for funds to finance new plants or to assist in the balancing of foreign trade positions. Strong pressures from nationalist groups which are seeking rapid improvements in their own standards of living seem likely to persist.

During 1959 the governmental and fiscal bodies of the United States will be walking a sort of tight rope endeavoring to keep the inflationary forces under control and at the same time satisfy militant demands for more of the good things of life not only here but in many areas of the world. The problem of inflation has not been solved when it is temporarily obscured by the downward pressures of the recent business decline. Investors will be constantly evaluating the possibilities of a further reduction in the value of the dollar with the attractiveness of yields on fixed income securities. The recovery of business shold continue at an orderly pace, but these investor choices will have an important influence on the ease or stringency existing in the capital and credit markets. There should be a continuing demand for funds with bank earnings somewhat higher than during 1958.

LLOYD M. POWELL

President, Dictaphone Corporation

Prospects are bright for a healthy jump in dictating machine sales during 1959, most estimates placing the increase in the neighborhood of 13% over 1958 figures.

There are many indications that businessmen are becoming more conscious of the value of their time. A recent survey showed that the average business executive writes 300,000 words a year, compared to 150,000 words turned out by the average professional writer. It is facts like these which dramatically point up the value of better, more efficient business communications which, after all, is the essence of what Dictaphone and other dictating machine manufacturers are offering.


Lloyd M. Powell

Our sales in 1959 should increase at least as much as the 13% rise predicted for the industry as a whole. Hopes for improvement over that average are based on the successful introduction of the new Dictaphone Time-Master dictating machine during 1958 and the improved state of inventories at this time.

Our customers and prospects are looking with zest to the challenge of the new year's business conditions. They want to increase their productivity and, more than at any time in the past decade, they demand value. There is a general feeling among businessmen that discouragement is on the wane and that excess fat has been taken off over the past year. They feel they've hardened their business muscles and are in good condition to meet their problems and move forward. The basic idea of better business communications has been established and it has been proved that business can make no better investment than to provide an individual whose time is costly with better means to work.

To meet the anticipated demand for new and better ways to increase efficiency in a value-conscious economy, Dictaphone put great stress on new product development and new services in 1958. Its new all-transistorized Time-Master dictating machine was kicked off in the spring. Although the corporation's sales were down somewhat this year, unit sales for the new Time-Master have increased monthly since its introduction. The Time-Master's recording medium is the exclusive Dictabelt record, which provides permanent, non-erasable recording, visible tone grooves for quick place-finding, and clear reproduction—at an extremely low cost.

The bright spot in the firm's 1958 business has been the Dictaphone Dictet protable voice recorder, which had a 46% dollar volume increase in the first 10 months of 1958 over the similar 1957 period. With business travel at an all-time high, we look for another steep sales rise in 1959 for the tiny two-and-a-half pound, eleven ounce battery powered recorder.

The Dictet has shown its ready adaptability to the needs of modern business on two important occasions during 1958. It was the first portable recorder ever to be offered for passenger use on a domestic airline when Capital Airlines included it among special services on V. I. P. flights. Late last year, American Express announced that Dictet service was being offered to holders of American Express credit cards: card holders could pick up a Dictet at any of Dictaphone's 200 offices in the United States and Canada, use it and leave it at another office—all on a "charge it" basis.

In 1958, we also contributed to new advances in the recording machine industry. Recently we introduced our AIMO machine, a completely new method of audio instructed manufacturing operations. AIMO, which was developed jointly with Westinghouse Electric Corporation, programs a manufacturing work operation on tape, enabling the worker to dispense with cumbersome printed instructions and graphs, and work as he listens. Increases in productivity of more than 60% were reported in original testing of this equipment.

Another new product of the Dictaphone recording machine division is the Dictaphone Dictachron time-announcing unit. This, when used in combination with Dictaphone Telecord network dictation by phone systems, brings great savings to factory time-keeping operations by making them more automatic.

Other Dictaphone recording machine developments include: the Dictaphone Dictatape five-channel recording machine and the Dictaphone Dictalog magnetic belt machine, used for monitoring air traffic control and for communications on super highways, such as the New York State Thruway.

The area of educational training is a promising one for new Dictaphone products. Experimentation is now proceeding with prototype models, using both tape and the Dictabelt record, and special machines are also being tested for interview recording.

The projected increase in business has led Dictaphone to expand and modernize its plant facilities. Late in 1958 a new plant was opened in Concord, N. H., for the manufacture of Dictabelt records. Millions of Dictabelts will be processed at this site for shipment to Dictaphone offices throughout the world.

GWILYM A. PRICE

Chairman of the Board, Westinghouse Electric Corporation

A steady improvement in billings and new orders is in prospect for Westinghouse during 1959, but sales billed will probably fall short of the 1957 record. With the prospects of a good but not a record-breaking year for the electrical manufacturing industry, the pattern of increase in sales and orders will not be uniform across the wide variety of industry's product lines. In addition, rapidly increasing costs will require the industry to look beyond rising volume to relieve the tightening squeeze on profits.


Gwilym A. Price

The electrical industry traditionally grows at a faster rate than industry generally, yet its profit margins have been declining in recent years. Reversing this trend and matching profits with growth remains the industry's most challenging problem in the new year.

This forecast of improved sales and orders anticipates increasing personal consumption expenditures. Optimism is based, too, on the accumulation of business inventories which will be under way during the first six months of 1959.

However, a slow improvement in capital expenditures by industry precludes the very volatile growth which marked recovery periods in previous postwar recessions.

Westinghouse expects sales of appliances and other consumer products, defense products and light industrial equipment to provide strong support for the anticipated increase in billings.

In the electric utility field, the shipment of heavy apparatus for generation of electricity will be lower than in 1958. However, this drop will be offset to an extent by an increase in billings of distribution equipment. New orders from electric utilities for heavy generating apparatus and from industry for large electrical equipment are expected to show marked improvement over the low points reached in 1958.

Orders for defense products are expected to continue to rise particularly in the first half, with the possibility of a leveling out later in the year.

In the atomic power field, Westinghouse anticipates continued growth, with billings this year expected to exceed the previous 12-month period for the fourth consecutive year. Atomic backlogs at year-end are expected to be approximately 30% higher than in 1957, most of which represent equipment for the nuclear Navy.

World-wide attention was focused on the first two Westinghouse-powered atomic submarines, the U. S. S. Nautilus and U. S. S. Skate, last summer when they made their historic North Pole voyages. From a defense viewpoint, the national importance of these two exploits cannot be overemphasized. Four other nuclear-powered submarines, each with a Westinghouse-built atomic engine, now are at sea. They are the Swordfish, Sargo, Skipjack and Seadragon.

In addition, the company now is working on devel-

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oping, designing and building reactor plants for 20 more submarines, the first atomic-powered cruiser, and the first atomic-powered aircraft carrier. One of the two land-based prototype reactors for a surface ship was placed into service at the Naval Reactors Facility, Idaho Falls, Idaho, in October. The company's work on these projects is being carried on under the direction of and in technical cooperation with the Naval Reactors Branch, AEC. There were many other noteworthy accomplishments during the year in widely diversified company operations. Some of the most significant were:

Production of materials for missile nose cones capable of withstanding intense pressures and temperatures encountered in re-entering the earth's atmosphere.

Delivery of the world's most powerful transformer—a 380,000 kilovolt-ampere unit for Commonwealth Edison Company of Chicago.

Completion of the installation of 16 waterwheel generators at Chief Joseph Dam, in the state of Washington, with a combined rating of 1,024,000 kilowatts.

A major advancement in the field of thermoelectricity—the direct conversion of heat into electricity. Scientists of the Westinghouse Research Laboratories discovered last year several new compounds in a previously unexplored class of thermoelectric materials. Capable of producing electricity simply, silently and without moving parts of any kind, the new materials are the first solid-state thermoelectric substances capable of operating at temperatures in the range of 2,000 to 3,000 degrees Fahrenheit.

FRANK O. PRIOR

Chairman, Standard Oil Company (Indiana)

To judge the future with any accuracy, we must first get a clear picture of the immediate past. Domestic demand for oil in the United States in 1958 will probably increase about 1.5% over 1957 levels. This is a reflection of the general recession. Because of the industry's slow reaction to realities, supply did not decline as quickly as demand did. In consequence, product prices plunged. There were also widespread though relatively small cuts in the price of crude.

Frank O. Prior

The net result is that the domestic petroleum industry for 1958 will fall uncomfortably below the profit levels it reached in 1957.

With that much foreword behind us, let's look at what we at Standard Oil expect for the oil industry in the first six months of 1959.

We think that the general industrial recession hit its low point early in the second quarter of 1958.

Recovery to date has been faster than most people expected it to be.

The rate of increase, however, has been steadying down.

We expect that this trend will continue through the first six months of 1959, barring instability in international affairs.

Thus we think that industrial production in the nation for the first half of 1959 will average about 10% above that recorded for the first half of 1958.

We think that the 1959 first-half total Gross National Product, expressed in constant dollars, will be about 5% above the total for the first six months of 1958.

We think that the domestic demand for petroleum in the first half of '59 will rise by about the same percentage as the GNP—again about 5%.

This projection assumes that the weather will be normal.

We expect first-half 1959 production of crude and natural gas liquids to average about 8 million barrels a day as against a first-half 1958 figure of 7,245,000 barrels a day, or an increase of about 11%. This assumes that a voluntary oil import program will be made to work.

I must underline the fact that 1958 first-half domestic output was abnormally low, compared with the same period for the previous two years. In barrels per day, the figures are 7,965,000 for 1956, and 8,310,000 for 1957, compared with 7,245,000 for 1958.

Current inventories of crude are reasonably low, so in the first half of next year more supply will come from current production.

As a result the general level of crude prices should hold firm.

Inventories of the major products, on the other hand, are not in so healthy a condition.

Product stocks are somewhat on the high side and should be drawn down, although there will probably be not more than seasonal drawdowns in the first half of 1959.

In summary, then, the outlook for the petroleum industry over the first half of 1959 is for encouraging but not spectacular advance.

Domestic demand will rise about 5% above 1958 levels for the same period.

Domestic production will increase by about 11%.

Prices for crude will hold about steady.

Overall product prices will show little change except for the possibility of slight increases in heating oils and slight decreases in gasoline.

The political atmosphere for our industry will be poor.

For the first two quarters of the year the petroleum industry should be somewhat more healthy and, therefore, more profitable than it was in 1958.

As of the moment, it seems likely this trend will continue throughout 1959.

WILLIAM J. QUINN

President, Chicago, Milwaukee, St. Paul and Pacific Railroad Company

The year just ended was a fairly good one for The Milwaukee Road, considering the depth and length of the recession now gradually on the way out. Its net income exceeded that of 1957, even though total operating revenues were off about $10 million. This was made possible by searching out and putting into effect operating economies and by a strict control over expenditures.

William J. Quinn

With the declining phase of the recession behind us and a gradual pick-up under way, we look forward to the year 1959 with confidence that our revenues will be greater, and despite increased payroll costs already known to be in the picture and others which we may anticipate such as in retirement and unemployment benefits for employees, that earnings for the stockholders will also show an improvement. The traffic of The Milwaukee Road is fairly well diversified and its volume follows along with the general business activity of the country, except that when grain and other agricultural products move in considerable volume, The Milwaukee Road's revenues will show greater increases than other territories of the country. This was true throughout the year 1958.

A good movement of grain and other agricultural products and of livestock seems apparent in 1959. Crop production through our territory should continue at a high level barring unforeseen, widespread moisture shortages or other adverse growing conditions. Material increases in production of small grains is expected with the release of crop land previously in the acreage reserve of the Soil Bank program. Corn acreage will probably be increased as the result of the farmers voting to abolish corn acreage allotments in the Nov. 25 referendum. Government stocks of wheat, corn and other gains, most of which are at a record high, are available for movement in large quantities. Availability of terminal storage space will be a controlling factor.

Indications point to an increase in cattle and hog numbers and, if prices remain favorable to the feeders of livestock, there should be a good movement from our range states to the Corn Belt area. Increasing population should always carry along with it increased demands for products of agriculture and of animals, which makes the long-range outlook appear favorable.

The Milwaukee Road's improvement budget for 1959 totals about $27,700,000, and includes 600 fifty-ton box cars, 100 seventy-ton insulated DF box cars and 50 seventy-ton flat cars, as well as the replacement of 52 diesel-electric freight locomotives of 1,350 horse-power each with 52 diesel-electric road switching locomotives of 1,750 horse-power. In March, 1958, while business activity was still declining, our company placed orders for 1,150 freight cars which cost $11,700,000, which were in addition to equipment purchases in the regular improvement budget for 1958, amounting to $6,800,000. This may be taken as evidence of our faith in the future of The Milwaukee Road and in the future of the economy of our Nation.

HENRY H. RAND

President, International Shoe Company

Virtually everyone is now agreed that 1959 will be a year of economic growth, although there is quite a bit of disagreement as to the rate of growth.

When we endeavor to break these variable concepts down to the specific market segment represented by a particular industry the margin for error increases.

Henry H. Rand

However we are now far enough away from World War II to note some historical patterns both during recessionary periods and in the following upturns as to consumer buying behavior. For those who sell in the consumer goods field these behavior patterns are important.

As compared with the swings in other segments of the economy total spending by the consumer in good years and bad has been remarkably consistent. Consumer confidence and consumer spending have been a major factor in recovery from every postwar recession.

Since the close of the war consumer durables have been taking an increasing share of the consumer dollar as the purchase of homes, automobiles, refrigerators, etc., have increased among the buying public. Since the percent of the dollar spent for services has also been going up, the trend has reduced the percent being spent for consumer non-durable goods.

There has been one very important exception to this broad trend which has tended to stabilize expenditures for consumer non-durable goods. During periods of recession or uncertainty the consumer has tended to curtail purchases of big ticket items most of which are in the durables field. But they have gone right on spending for foods, soft goods and other non-durables.

This is illustrated by the fact that through 1956 and 1957 the percent of non-durable sales to Gross National Product was rather steady, ranging between 31% and 31½%. It rose a bit in the fourth quarter of 1957 and then jumped to 32.8% in the first quarter of 1958 and to 33% in the second quarter.

Thus at the retail level the soft goods industry has a built in stabilizer. As gross product drops, we tend to get an increasing share of the total.

Unfortunately there is a poor understanding of these trends on the part of many retailers who naturally react to unfavorable total economic news and curtail their buying. This creates a temporary recession at the manufacturing level as inventories are curtailed.

This is what happened in the shoe business in 1958 with the retailer enjoying a good year while the manufacturer was faced with a dearth of orders until the closing months of the year.

As the economy improves the consumer will no doubt again start to spend an increasing share of his income for durable goods and the soft goods industries will get a bit lower percent.

Nineteen-fifty-nine should result in sound growth in the retail sales of shoes, but since sales had remained good in 1958 the rate of increase will probably be modest.

The shoe manufacturing industry should enjoy a record year in 1959, but the percent of gain will not approach that of durable goods manufacturers who are recovering from recession levels.

EVERETT D. REESE

Chairman of the Board, The Park National Bank of Newark, Ohio

Almost everyone is entering the year 1959 with a feeling of hope that this will be a year of progress along many lines. We have just ended a year that began with a good deal of doubt and fortunately ended on quite a good note. In many lines the progress made was not as great as had been hoped for but the trend is up in most lines of business.

Everett D. Reese

It is highly desirable that our progress will be sound and not brought about by the false optimism of inflation. A recession such as we have been in brings about highly competitive conditions and these do not end after the up-trend starts as there is still excess productive capacity in many lines and with the desire to use the facilities price competition becomes very keen and narrows the profit margins. This last recession has increased the efficiency of productive facilities and has brought out great resourcefulness in management. It is to be expected that these will carry over into the period of greater prosperity. As soon as present facilities are used to a greater extent because of increased volume or better capital facilities are developed, the rate of capital investment is quite likely to increase.

In the banking field we are subject, of course, to the money policies of the Federal Government and must be flexible just as business must be flexible. We must continue to serve the credit needs of people and businesses of all kinds during periods of tight money as well as during periods of easy money.

There is no greater constructive force in our economy than progressive bankers. I feel that real progress has been made in developing competent bankers throughout the country and that our banks are able and willing and anxious to serve the financial needs of the people.

Change is the order of this world and I believe our bankers will continue to meet changing conditions and serve well.

R. S. REYNOLDS, JR.

President, Reynolds Metals Company

For the aluminum industry, the new year will bring a further expansion of primary capacity and more intensive marketing efforts than ever before to accelerate broad, mass-volume uses. We look for increased sales volume in 1959. The industry in 1959 will have a number of advantages on its side in its bid for increasing aluminum's share of existing markets and opening new markets for the metal.

R. S. Reynolds, Jr.

The price of aluminum is lower than at any time since August, 1956, despite the fact that most competing materials have increased in cost since then.

For the first time, six primary producers will be in operation throughout the year. This means broader competition than ever before — and competition always has been the harbinger of more dynamic growth for the aluminum industry. An abundant supply will assure customers of availability of metal for virtually any need.

As a result of research and development over several years, especially in fabricating techniques, aluminum is gaining as a heavy-duty structural metal. In 1958, for example, three major aluminum bridge projects were pioneered in this country. And there were important new developments in the applications of aluminum for ships, tanks, vessels, residential housing, electrical substations, railroad equipment and other big tonnage uses. This marks the beginning of a vital new phase in the growth of our industry, which until recent years concentrated mostly on broadening applications in the lighter gauge ranges.

Largest increases in aluminum usage in 1959 are anticipated in the construction and transportation fields. In 1958, builders participating in our company's new

"House of Ease" program sold, in a few test-market areas, more than 100 homes utilizing an average of 2,500 pounds of aluminum each. This was the first large-scale exploitation of aluminum's advantages in new home construction. A broadening of our "House of Ease" program in 1959, together with the revolutionary line of aluminum houses which National Homes will market through 600 builder-dealers, will result in significant increases in aluminum tonnage going into home building during the year.

Automotive application of aluminum will grow again in 1959 too. The average 1958 car had 52 pounds of aluminum. We expect this to increase to 58 pounds per car in 1959, a year in which new car sales are expected to exceed those of 1958 by more than a million units.

Aluminum also is expected to make sizable gains in highway and military applications, ship construction, electrical uses, and new equipment for the chemical and petroleum industries.

The use of aluminum foil in packaging has doubled in volume in the last five years. And aluminum will take on a number of new packaging forms in 1959. Development of aluminum cans, too, is making considerable progress, with a promising early potential in aerosol cans. Household foil, which has done so much to familiarize consumers with aluminum's versatile advantages, remains among the fastest growing items in the grocery line, and institutional uses of foil are on the increase.

During 1958 aluminum shipments to consumers totaled 1.8 million tons, a decline of 8% from the 1.925 million total of 1957. This was due to the general business downturn in the first half of the year, particularly in the hard goods sector. Aluminum, however, began its recovery much earlier than the general economy. And it has continued to advance, confirming our past experience that in periods of rising business activity, aluminum increases at a faster pace than the general economy.

W. THOMAS RICE

President, Atlantic Coast Line Railroad

The economic and industrial development in the Southeast was slowed considerably during the year 1958 due to the general economic conditions of the nation. During the latter weeks of 1958 we saw certain improvements, and, based on the information that we have been able to gather, the year 1959 should see a very definite improvement insofar as transportation requirements are concerned throughout the southeastern states.


W. Thomas Rice

The railroads have made an impression upon the American public through their activities during the past year to acquaint the average American with the importance of the railroads to our way of life. The average American is more cognizant today of the problems and unfair regulations that control the destiny of the railroads. The Transportation Act of 1958 was a real beginning toward the alleviation of some of these burdensome regulations. Much remains to be done. We feel that the climate for further improvement is good. We feel that the American people have a sympathetic understanding and are ready and willing to help in promoting the welfare of the railroads of our country.

We believe that the general business conditions in the nation will improve during the year 1959 as compared with 1958. We further believe that any improvement in our national economy will be reflected quickly in the Southeast, not only because it has become so popular for heavy industry but also because of the numerous recreational facilities. Through efficent transportation service, courteously rendered and popularly priced, the railroads can participate in this economic prosperity. We of the Atlantic Coast Line Railroad expect to share in this prosperity and look forward to 1959 with assurance and optimism.

HAROLD E. RIDER

President, The Fairfield County Trust Co., Stamford, Conn.

During the past year, our nation's economy met the challenges thrown at it in such a manner as to demonstrate again its adaptability to changing conditions and its inherent quality of resilience. The readjustment that the economy passed through during 1958 left us with a very sound base from which we can move upward during the next several years. All major segments of the Gross National Product should show some improvement throughout 1959. Inventory liquidation, a negative factor last year, will give way to accumulation; increased government spending and a marked increase in consumer spending will be the basic contributors to any record level of Gross National Product.


Harold E. Rider

As the pace of industrial activity gathers upward momentum, we can expect a greater demand for credit and a tighter money market. To some extent this may be mitigated by the high level of corporate liquidity resulting from accounting transactions for depreciation, etc., and income tax accruals. The demand for funds, however, will reverse the recent build up in government security holdings and result in increasing bank loan portfolios. All of this augurs well for the banking industry as a whole.

In Fairfield County, these same conditions will be augmented by the high per-capita income which is characteristic of our area. Companies, many of national scope, continue to find our area particularly well suited for the establishment of their headquarters and research and development activities. As a leading research center, western Fairfield County—Connecticut's panhandle—has one of the largest per-capita concentrations of scientists, engineers and skilled craftsmen found anywhere in the United States. Geographical location coupled with the balanced industrial-commercial-residential complex which characterizes our area can be counted on to lend stability to the local economy during readjustment periods such as the nation has just experienced and to contribute to the healthy growth which has been so characteristic of Fairfield County.

The components of the nation's economy should be watched carefully for any indication that the recovery might be interrupted. The housing market which lent such strength to the recent recovery could weaken in the event the demand for funds becomes strong enough to divert money away from the F.H.A., and V.A. mortgage market. Recent devaluation measures taken by foreign governments could exert further pressure in narrowing the export gap. Both of these components, though worthy of note, do not seriously threaten economic recovery during 1959.

Although personal income was a strong feature during the recent recession, the individual consumer cut back sharply on his purchases of durables during 1958. There is good reason to believe that in 1959 we will witness an increase in the purchase of consumer durables. Lending support to this belief is the fact that the consumer paid off his installment debt on balance during 1958 but will probably reverse this trend in 1959.

As previously mentioned, businesses will stimulate the economy through a reversal of their inventory policies. But while their expenditures for plant and equipment should show an increase, excess productive capacity in most industries will limit this increase to moderate proportions.

The picture as we see it then for the nation as a whole is one of continued recovery but at a rate more moderate than that which we witnessed in the last eight-months of 1958. 1959 should show improvement in some of the areas which were adversely affected in 1958—e.g., reduced spending by consumers for durable goods, lower business spending for plant and equipment and inventory liquidation—but several of the problems of 1958 will remain with us in the new year. Unemployment which grew to a postwar high as a percentage of the labor force is expected to be higher than normal for at least the first six-months of the year. However, it would seem reasonable to expect much greater utilization of the available labor force toward the end of 1959 as industrial activity continues to increase. Finally, but of great importance, the nation will continue to be faced with the problem of inflation. During 1959 prices should not be subject to great upward pressure, this because of excessive productive capacity and abnormal unemployment. However, as the stage is set for the dynamic activity we expect in the 1960s, we must be continually on guard against excesses in the economy. Excesses which could result in inflationary forces that would erode away the advantages of increased productivity and higher living standards.

During last year's recession, the nation's banking system proved sound and flexible. I'm sure that in 1959 it will demonstrate once again its ability to meet the demands of a dynamic economy — an economy found only in our United States. Bank earnings in 1958, for the country as a whole, will probably show very little change from the results of 1957. In 1959 interest rates may edge up, but the pressure of higher operating costs will not diminish. Generally speaking, though, I believe bankers can approach this year with confidence.

Last year, in Fairfield County, strong growth characteristics helped keep money in good demand. The result was another good year for our bank. And these characteristics are still present. 1959 could result in a record year from the standpoint of growth of deposits, loans and earnings. We view the future optimistically.

R. G. RINCLIFFE

President, Philadelphia Electric Company

Despite the business recession, the nation's investor-owned, business-managed utility companies continued to make substantial additions and improvements to their facilities last year. In contrast with curtailed capital expansion by most industries, the electric utilities added approximately 14 million kilowatts of new generating capacity to their power lines, which represented the largest annual increase ever made.


R. G. Rincliffe

This continued expansion emphasizes the long-range planning called for in the utility industry to meet the ever-widening demands of a dynamic economy. Notwithstanding intermittent lulls or spurts in general business activity, new capacity must be installed well in advance of growing needs.

In the atomic power field, Philadelphia Electric is presently the sponsor of an offer submitted to the Atomic Energy Commission by a group of more than 50 investor-owned utility companies to build a high-temperature, gas-cooled nuclear power plant on the P. E. system. The proposed plant will be located at Peach Bottom, Pennsylvania, on the west side of the Susquehanna River about 10 miles upstream from the Conowingo Dam. Known as the High Temperature Reactor Development Associates, Inc., the non-profit organization is the largest and most widely representative group of U. S. utility companies to support a single nuclear power project thus far.

The $24.5-million plant to be built by this group will be owned and operated by Philadelphia Electric and will have a capacity of 40,000 kilowatts. When completed in late 1962 or early 1963, it will serve as an effective developmental prototype for a full-scale plant, which is expected to produce electricity competitive in cost with generating stations in many areas of the country using conventional fuels. The project promises to provide a short-cut to cheaper electric power.

The company also continues to take a prominent part in the design and construction of the Enrico Fermi atomic plant at Lagoona Beach, Mich. This plant, of the fast breeder type, is scheduled for operation in 1960.

Our own expansion program is geared to the future growth of Delaware Valley. Expenditures during 1958

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for new generation and distribution facilities reached an all-time high of $120 million, or over $2¼ million a week. Outlays during 1959 will continue at about the same rate. Expenditures planned for the ensuing five-year period, 1959-1963, are expected to total $467 million.

An important addition to P.E.'s generating capacity was made last summer when a new 185,000-kilowatt turbine-generator was placed in operation in our Schuylkill station, which more than doubled the capacity of that plant.

The first 325,000-kilowatt generating unit at our new Eddystone electric generating station, now nearing completion on the Delaware River near Chester, is scheduled for operation late this year. A second unit of like capacity will be added in 1960. Eddystone represents a significant forward step in efficient power production and will substantially boost P.E.'s generating capacity. Construction of extensive transmission lines and substations to distribute this added power is progressing rapidly.

The company's gas service continues to expand with significant increases in the use of gas for house-heating and industrial purposes. Long-term contracts for a firm supply of natural gas and steadily expanding production and distribution facilities assure P.E. gas customers that present and future needs will be fully met.

The Edison steam heating plant, placed in operation early last year at 908 Sansom Street, Philadelphia, added materially to the Company's steam heating supply for center-city office buildings, stores, and hotels.

Philadelphia Electric's progress is closely knit to the growth and prosperity of Greater Philadelphia. It has confidence in the economic stability of this area and is proud to serve the industrial, commercial, and residential needs of its people.

W. GORDON ROBERTSON

President, Bangor and Aroostook Railroad Co.

Like other corporations, the Bangor and Aroostook makes extensive use of projections in an endeavor to determine where we may reasonably expect to find ourselves from year to year.

However, as a railroad heavily dependent upon agriculture for both loadings and the extent of use of our large refrigerator car fleet, we have long since learned that our projections are always subject to wide and unforeseeable swings.


W. G. Robertson

This was never more true than in the year just past. A continued reduction in paper tonnage had been anticipated. However, we could not anticipate an adverse potato market which cut our spring potato loadings well below expectations nor could we foresee that our fall loadings would be lightest since the hurricane year of 1954. Finally, we had no reason to think that refrigerator car earnings would lag substantially behind previous years. In short, our relatively high hopes of early 1958 failed to materialize and by a rather wide margin.

The foregoing is in explanation of our more than usual reluctance to forecast where we will be on Dec. 31, 1959.

Although Maine's potato yield was a little less than a year ago, other growing areas harvested a crop well above that of 1957. It would seem reasonable, therefore, to expect a continued softness in the potato market and a consequent total tonnage below comparable months of last year.

However, it should be kept in mind that this is no more than an experienced guess and it could be as wrong, albeit in reverse, as our guess of a year ago.

On the other hand, there is evidence that our paper and pulpwood loadings may exceed those of last year. Paper shipments turned up last fall and if this trend continues, pulpwood tonnage will, of course, also increase.

I am well aware that this is a most inconclusive forecast of the year ahead. However, the imponderables are such as to make it impossible to be otherwise.

KINSEY M. ROBINSON

President, The Washington Water Power Company

Pacific Northwest utilities are frequently asked if use of electric service will continue its upward trend. People also ask about our situation regarding power supply, and especially they want to know what can be expected at this time by way of power politics in the Northwest.


Kinsey M. Robinson

Personally, I can visualize only continued progress in our use of electric energy. Northwest utilities already claim a strong lead regarding kilowatt hour consumption in some categories. For example, residential averages rise nearly three times the national kilowatt hour consumption level; and while the saturation of certain household appliances such as the electric range, refrigerator and water heater is well up in the 90% class, there still remains thriving potential load growth through other established uses, as well as through commercial and industrial applications. Despite our 8,449 kwh average residential use at the end of 1958, the Washington Water Power holds to its goal of a 10,000 kwh consumption by 1963. It is estimated that some 75% of the population in the Northwest may yet buy electric dryers; some 90% are prospects for some kind of electric heat, or gas heat; and some 98% may some day enjoy year-around air conditioning.

Electricity as an increasingly capable household servant is here to stay. We are quite sure that tomorrow's growing crop of homemakers will continue to name more and more electric energy as an absolute requisite to modern living.

As to power supply, we believe with considerable optimism after years of uncertainty and doubt that the Pacific Northwest is approaching a period of ample electric energy. Non-federal agencies have under construction, just completed, or definitely licensed, a total of 4.6 million kilowatts. This includes 16 power projects by eight northwest investor-owned utilities, with $320,000,000 spent in 1957, and in excess of $325,000,000 budgeted in 1958. The assertion has been made that post-war power development by private utilities has been the largest of its kind ever undertaken at any one time in any single area in the history of America. Federal projects, on the other hand, have in course of construction or have recently completed some 2.6 million kilowatts of new power.

In spite of this great block of energy, however, and the fact that natural gas has recently come to the Pacific Northwest to augment energy needs (the Washington Water Power now combines the distribution of natural gas and electric service), it is suspected by several analysts that the area will again feel the pinch for power by 1962. One thing is certain. All of us must work diligently if we are to keep ahead of tremendous consumer demands. An increase of at least 17,200,000 new kilowatts, or 91%, is anticipated by the year 1966. Atomic energy is given careful consideration as a future answer to our problem. Study teams and practical construction proposals have already been publicized. We hope for the best.

The third question dealing with power politics seems certainly less critical than in years gone by. Some northwest Congressional representatives frankly state that power is no longer a political issue. This may well be true. Even in the 1956 elections, only 5% of the voters in Oregon said that electric power influenced their voting decisions, while in Washington State, only 2% of the voters named electric power as an issue.

Still, in the face of harmonious operation of the Northwest Power Pool (one of the world's largest), despite the fact that in support of the Administrtaion's partnership program private utilities have underwritten all or part of the cost of several P.U.D. power projects, a few advocates of public power perpetually tend to ignore the cold facts of life and are again crying for more federal participation in power development. They attempt to block every effort of private capital to build new projects; and now again, after previous rejection by the voters of similar proposals, we in the Northwest are faced with another public power crusade to establish a vast federal corporation to control drainage area of the Columbia River.

Surely public power not only in the Pacific Northwest, but throughout the nation, poses a serious threat to efficient, economical and harmonious power development in our American business system. While we in the Northwest may be considered most quickly affected by the attack from socialized power, and while we have, nevertheless, created a friendly business climate in areas served by private utilities, it will over the years take a helping hand from all segments of business if our free enterprise system is to continue prosperous and secure.

MARY G. ROEBLING

President and Chairman of the Board, Trenton Trust Company, Trenton, N. J.

There are so many things that can affect any forecast regarding the future of the banking business for 1959, that one could only open a discussion on the subject by prefacing his views with the words, "barring the unpredictable action of the Communists or their fellow-travelers, business in the banking field in this area should be excellent in the year ahead. The Delaware Valley, in which the Trenton Trust Company operates is largely industrial, reflecting at all times the changes in industries, but profiting from a population whose income for the most part has been reasonably steady. Its people are industrious and frugal, but spend freely for the good things of life.


Mary G. Roebling

It is affected by the stabilizing effect of the giants in the steel and wire business, both of which operate huge plants in the immediate locale.

Trenton's rubber and ceramics industries are leaders in their field and have a world market. The diversification of industrial output is a reasonable assurance against an unemployment problem of any size. These industries will advance slowly but surely in 1959.

The banks in the area are manned by seasoned bankers, who are keeping step with the changes that are taking place in an orderly manner that gives to their stockholders the confidence that their banks will be able to pay dividends and increase the equity of their shares during 1959.

No great advance in banking is predicted for 1959, but interest rates are expected to remain favorable. Securities will perhaps remain unchanged except as to the variables that are constantly present in the mercurial period we are passing through.

We expect to increase our deposits and depositors by an aggressive campaign to capture our share of the savings of the people of Trenton during 1959.

To my knowledge there is nothing to interfere in 1959 with an orderly modest increase in our business and that of our neighboring financial institutions.

Nothing but the apathy of individuals can deter the growth of the Delaware Valley area which in recent years has been phenomenal. This region appears destined to be maintained as one of the nation's full-fledged industrial and financial centers.

JAMES A. ROEMER

Chairman of the Board, Sharon Steel Corporation

The year 1958 was a severe test for Sharon Steel Corporation. I believe the records will show that when all of the factors are carefully weighed and evaluated Sharon did a commendable job. A year ago we would have doubted that Sharon had the ability to operate at 40% of its total ingot capacity and break even. Yet, broadly speaking, that is just about what was done in 1958. Final audited figures may be slightly on the minus or plus side of an exact break-even figure.


James A. Roemer

During the past year we terminated our lease with the Navy for the Griswold Plant that was operated by Brainard Steel Division. In so doing, we eliminated a number of unprofitable Brainard products. Brainard is now concentrating on its steel strapping business, and has adjusted its organization and facilities to become a more important factor in this segment of the steel industry. The Dearborn Division in Detroit has done an outstanding job in servicing customers in the Detroit area, especially so far as stainless steel is concerned.

The new electric furnace at Sharon permitted us the efficiency of a one-plant operation during most of 1958.

Let us now look to 1959. The complexities of modern business and the great number and variety of factors, all of which have their impact, make any forecasting difficult. However, taking the information that is available to us, we look for considerable improvement in 1959.

Estimates for 1959 auto production range from 5.2 to 6.8 million passenger cars. If production is in the area of the high figure then it is conceivable that Sharon's ingot production may increase by some 40% to 50% over that of 1958. However, we are budgeting for 1959 on the basis of a 25% increase.

Furthermore, when both steel output picks up and auto sales are good, more railroad and truck traffic appears. Paint, furniture, textiles, ore, scrap, machinery, refractories, and consumer goods—all pick up when these two industries get on their feet.

We have a number of projects which are being studied, some of which have been engineered, and we hope that we shall be able to act on some of these during 1959. All of this will be in the direction of reducing Sharon's costs and broadening its product line.

A factor which will have a definite influence on our plans for 1959 is the expiration on June 30 of our present three-year labor agreement. It is particularly timely that we re-examine with the Union the impact on our operations and on the economy of wage demands that exceed the cost reductions resulting from improved productivity. We must, I believe, pass on part of the benefits of improved productivity to customers and stockholders.

As to Mallory - Sharon Metals Corporation (owned equally by Sharon Steel Corporation, P. R. Mallory and Company, Inc., and National Distillers and Chemical Corporation), it will have a substantial loss for 1958. This in no way lessens our faith in the future of titanium, zirconium, hafnium, columbium, tantalum, tungsten, molybdenum, and the other special metals that are required for the "Space Age." The forecast is that Mallory-Sharon will show a profit for 1959. If the profit for 1959 should equal or be more than the loss for 1958 then I would say that Mallory-Sharon can look forward with confidence to the potentially profitable '60s.

GEORGE ROMNEY

President, American Motors Corporation

There is every evidence that 1959 will be another exciting year in the automobile business. A fundamental change in the market has taken place that will be felt even more sharply than in 1958, when it received its greatest impetus.


George Romney

The total U. S. automobile market should be up importantly in 1959, but, since 1958 demonstrated so forcibly that consumers need and want smart, functional and more modern transportation, the greatest growth by far will be in the small and compact car areas. In our judgment, the market for small and compact cars should be 1,000,000 vehicles or more in 1959, as compared to approximately 600,000 in 1958.

Total sales of U. S.-built and imported passenger cars should be more than 6,000,000 barring three things: (1) crippling strikes, particularly in the plants of key suppliers such as steel or rubber; (2) excessive monetary and credit control as a substitute for needed action on the fundamental causes of the wage-price spiral, or (3) adverse international developments.

The third great revolution in product concept in the history of the automobile industry—the marked trend away from longer, wider, more powerful cars—really began to be generally evident in 1958. Not only did this result in continuing record sales of foreign-built small cars, but also a widely expanded market for compact cars.

The first great revolution in the industry was when Henry Ford, Sr. built cars for the masses, with the famous Model T. So great was this change that in 1924 Ford captured more than 62% of the total market—a feat unequaled before or since.

The second revolution came when General Motors in particular began to put competitive emphasis on size and luxury. The standards of many American families had risen sufficiently to permit the purchase of cars with more room, more style, more features and more power. This concept helped build for GM a pre-eminent position and gave them 50% or more of the total market.

The third revolution developed when the maximum in car size and horsepower was reached, not only by GM, but by its major competitors. At the same time that their cars reflected excessive emphasis on size and power, important changes in car use were taking place throughout America. With the rapid growth of suburbs, increased traffic congestion and intensification of the parking problem, more and more people began to demand cars for personal mobility. And with more members of the family needing cars of their own, functionalism began to take on more importance.

In each of these three revolutions, an understanding of consumer needs was the dominant force. A surge of buyer response resulted when vehicles were developed that met the basic new need.

This revolutionary trend will continue in successive years beyond 1959 until by some time before the end of the 1960s, more than half of all cars sold in this country will be small or compact. I believe the greatest growth will be in the compact car area, with small cars getting a lesser share of the total business.

There are many reasons for these very pronounced trends in the American automobile market. I believe the most important reason is that car buyers are coming to realize that they get more basic value in a modern compact car. They are finding that added length, width, weight and horsepower not only do not meet the changing patterns of car use, but they also intensify personal problems of high maintenance, reduced trade-in, parking, garaging, and handling. On the other hand, a compact car provides the interior dimensions and comfort of the big car, with no excess exterior bulk. The avoidance of excess bulk and use of more modern aircraft engineering principles, results in less weight, superior strength, lower operating and maintenance costs and greater facility of handling and parking.

As for American Motors itself, we expect sales of the compact Rambler and of the small Metropolitan to account for about 6% of the total passenger car business, and about 36% of the small and compact market, during the calendar year.

LEWIS S. ROSENSTIEL

Chairman of the Board and President, Schenley Industries, Inc.

The year 1959 ought to be a year of opportunity for the entire industry provided industry policy-makers show a determination to make a reasonable profit on every sale.

Lewis S. Rosenstiel

Profit opportunities for retailers, distributors and distillers are now possible because of the lifting of an artificial pressure upon the market—the tax-force-out from storage of eight-year old whiskey. But the industry must take advantage of the situation through the application of sales policies rooted in business statesmanship.

The industry has at last entered into a period where relative stability can come about, a period which holds out hope for improved credit opportunities, higher values for inventories in storage and an end of chaotic marketing conditions.

Such hopes, however, will never be realized unless there is a real deep feeling and determination in the industry that free competition is the life of business and cartelized competition "drives nails in the coffin of capitalism."

There must be room for everybody—or else there will be room for nobody. Executives in high positions in this industry must learn to stop, look and learn, and bear in mind that every decision made at their desks affects somebody's job, the welfare of some family and ultimately the welfare of our country.

1959 will see bourbon whiskey further regaining its position as America's traditional alcoholic beverage. The trend back to bourbon began many years ago and is continuing. Straight bourbon whiskey is more costly to produce than blended whiskies and must be sold at a higher price. This cost factor creates a market for blended whiskies. Neither bourbons nor blends are yet at a fair livable profit level for the industry. There is no doubt in my mind that the industry can get a fair livable profit and still have prices which are acceptable to the consumer.

Price wars in several of the states are certainly not started by any true American distiller. What is behind these price wars is a question members of the U. S. industry ought to ask themselves. They will come up with the answer.

Bourbon is again the great American drink, the rising bourbon market being due to the marketing of fine bourbon, milder, lighter and of less alcoholic strength. The point is best illustrated by the great sales success of 86 proof counterparts of long established 100 proof bonds. If the current trend in consumer taste preferences continues, the day is not far off when 80 proof bourbons will be in greatest demand. Scotch and cognacs are sold at 80 proof (U. S.) in Great Britain, Canada and an increasing number of markets of the world, including our own.

It is hoped that in 1959 the various states will take a look at their complicated liquor laws, regulations and interpretations, now 25 years old, and I predict that many of them will do so. Excise tax laws in most states put a tax penalty on efforts to promote temperance through use of lower proof whiskies. State taxes are taxes on water when they are measured on gallonage rather than on proof. In fact, some state taxes on 80 proof are the same as the tax on 100 proof and others charge the same tax on fifths as on quarts. Thus the distiller is left without any incentive to market lower proof whiskies and the consumer is given no incentive to buy them. Adoption by the states of the Federal method of taxation—measuring the tax on a proof gallon basis—would correct the situation and give impetus to the trend toward moderation, and would be favorable to the consumers' purse as well as to the industry.

I believe the industry should continue its efforts to induce the Treasury to put it into effect, a 30-day reporting system in place of the daily stamp system for the collection of Federal excise taxes. A 30-day reporting system would free for use by the industry an estimated $250 million a year now tied-up in pre-payments of U. S. taxes and the changeover would not cost the government a cent of revenue. A reporting system might even increase Federal revenues. Distillers pay interest at commercial rates for funds with which to pre-pay the tax. This interest is a tax deductible item and the Treasury is therefore charged with 52% of the commercial interest rate. The Treasury can borrow money at a cheaper cost to itself.

As for tariffs on alcoholic beverages, I believe the U. S. industry will not ask for increases as long as foreign suppliers operate in harmony with the American philosophy of competition and distribution. We hope for intensified efforts in 1959 against the continuance of trade barriers which have closed many international markets to the products of the U. S. distilling industry. The industry would like to see more of a two-way street in international trade, with bourbon, which is part of the folklore and in the tradition of our country, being allowed to enter certain countries from which we buy so much. In world markets as well as in the U. S. market itself, the guiding principle should be equality of competition by any definition.

DANIEL T. ROWE

President, Kings Highway Savings Bank, Brooklyn, N. Y.

I am convinced it is reasonable to expect a continuation of the present business trend into the Spring of 1959. Few forecasters believe the upward trend will be sustained throughout the year.

I agree with those who reason that there will be a slowdown in the second quarter.

Daniel T. Rowe

Estimates of new car sales are too optimistic. There is no flood of new models on the road. There is passive resistance to the price of new cars. Many of those who purchased automobiles two and three years ago will be content to wait another year. This will affect the supplier industries.

Housing starts have picked up considerably, but sales will fall behind expectations and this will in turn force builders to cut back. Tight money operates to depress activity in this field because builders must load the sales price to cover anticipated heavy mortgage discounts which add to the cost of their financing. This would not hold true if the interest rates on insured and guaranteed mortgages were free to follow money rates, but so long as they are not flexible, the buyer is obliged to pay the overload.

The number of people still unemployed provides part of the answer to the foregoing. Companies having to cut down on help to survive the 1958 squeeze have not found it necessary to rehire as many people as formerly. They have been forced to come up with higher operating efficiency to keep afloat. We may not see the number of unemployed reduced to the former level till late in the year. All this has a restraining effect on those with jobs. They will think twice before purchasing houses or cars which require taking on obligations running for terms of years. They will instead pay off the outstanding balance of their loans; or bank their paychecks; or invest in stocks.

Total payrolls during 1959 may reach old peaks despite the unemployment situation. The average worker's weekly earnings are higher than they were a year ago.

As a result, savings in the banks should continue to increase during the year at the same rate or better than during 1958 and, as a measure of confidence is gradually restored, business generally may get into high gear by year-end.

I am confident that the inflationary tendencies that are ever present can be effectively held in check by the Federal Reserve authorities, provided Congress exercises reasonable spending restraint, since inventories are down, savings are still following an upward trend, and business and industry are operating on a more efficient basis than at this time last year.

Overall, 1959 should be a good year for the Savings Banks. There will be a more than ample supply of insured or guaranteed mortgages available for investment at reasonably good returns. The level of these returns should hold fairly constant in the months ahead.

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Bonds are available at attractive yields that are considerably higher than the average return of most institutional portfolios. Consequently, the earnings statements of the banks should continue to improve.

ALLEN W. RUCKER

President, The Eddy-Rucker-Nickels Company

As it looks to me, the year 1958 was marked by four developments, all of which affect the outlook for 1959.

First, the recovery from the recession of 1957-1958 occurred much earlier than most forecasters had foreseen. Presently, the low point appears to have been reached in April, 1958. Measuring from that date, precedent suggests that the high point of this movement will not be reached before sometime in 1960, or early in 1961.

Allen W. Rucker

Second, the recovery since April, 1958 was marked by an absence of a resumption in inventory accumulation. This suggests that 1959 industrial output may receive an added impetus from that quarter.

Third, 1958 was marked by the sustained outflow of gold and by the reduction of Treasury gold stocks and the coverage of the total of Federal Reserve Bank notes and member bank deposits to new low levels. This suggests that 1959 or 1960 will see the issue joined between those here and abroad who want further to devalue the dollar, and those who do not. The ebb-and-flow of inflationary sentiment probably will follow the swing of this forthcoming battle.

Fourth, the continued failure in 1958 of productivity per man-hour in manufacturing to regain its long-term rate of improvement. The slow-down in productivity improvement began in mid-1955, and since then, unquestionably has adversely affected the long-term rise in the purchasing power of currently-earned incomes. Since December, 1956, the rate of gain in productivity has averaged about 2.0% per annum, or about one-third less than the long-term rate of 2.9% per annum in manufacturing industry. The effect is to slow down the improvement in the purchasing power of incomes and hence, to retard the rise in the physical volume of output and in the man-hours of employment necessary to produce it.

The adverse effects are greatest in the durable goods industries, both consumer and producer durables. Reemployment of older employees and employment of newcomers to the labor force depends heavily upon an improvement in productivity per man-hour. This is because the private, **competitive** system tends to pass along virtually all labor-**time** savings to the customer in the form of prices that are **falling relative to** earned incomes. In other words, improved productivity makes savings in costs, and hence in prices, that enhances the buying power for current earnings. The faster **buying power** improves, the greater the demand for goods and services, and for additional employees needed to meet that demand.

Indications in late 1958 suggest that a steadily increasing number of manufacturing firms are seeking means to enlist the understanding and cooperation of employees in raising productivity. In my judgment and experience, better teamwork is the natural and essential supplement to better tools and better methods. Indispensable as better tools and better methods are, they nonetheless will not yield the harvest they should without the enthusiastic and intelligent cooperation of human associates, without better teamwork throughout the business.

I believe that the recovery of 1958-1959 will benefit most those firms whose managements can effectively develop the better teamwork necessary to efficiently use the new capital investment of recent years. I believe that those firms who can raise productivity faster than the average of their competitors will benefit most of all. Those firms will contribute most to new employment, to payrolls and to stockholder earnings—and to a more extended business recovery.

DONALD J. RUSSELL

President, Southern Pacific Company

Southern Pacific's traffic outlook for the first part of 1959, barring some unexpected economic development, is favorable.

Private and military construction and public works activities showed strength in the latter part of 1958, with the result that our shipments of sand, rock, gravel, lumber and other building materials have been heavy.

Donald J. Russell

It is anticipated that auto production will continue at a high rate, particularly since it was delayed by strikes in September and October. The outlook for steel in the immediate future is also good.

Although we certainly can make no predictions as to what the entire year 1959 holds in store, these and other trends appear to point to a favorable first half.

As for the long-term outlook, Southern Pacific remains confident that in spite of any short-term ups and downs, SP will continue to grow with the country it serves. We are certain of the continued expansion of the eight Western and Southwestern states we serve, and in our ability to improve and expand our services to keep pace.

As evidence of that faith, Southern Pacific spent about $65 million on capital improvements in 1958, a year of uncertainty to say the least. We added 2,349 new specialized freight cars on line during 1958 and upgraded hundreds more in our shops. We ordered 70 new diesel locomotive units, which will cost $13.5 million. We spent large sums on research, to bring our customers the most modern service available. And, we will continue to improve and expand our facilities as much as our earnings will permit.

Obviously, Southern Pacific's large investment programs in recent years have greatly increased the efficiency of our operation. As a result we were able to weather the economic slump in the first part of 1958 and will show improved earnings for the year. Net income for the first 11 months of 1958 totalled $53,247,709 or $5.89 per share of common stock, compared to $50,278,452 or $5.56 per share for the similar period of 1957.

This increase was accomplished in spite of the fact that the number of carloads of freight we handled during the 11-month period was 7% less in 1958 than 1957.

Since our primary function undoubtedly is to serve our customers, we are doing everything we can to bring them the best and most efficient service available. However, we are limited in what we can do by law. We, and other surface carriers, are prohibited from engaging in air transport. The railroads are severely handicapped in engaging in truck transportation. It is our firm belief that we could better satisfy our customers and better fulfill our role as a transportation company if these restrictions were relaxed and we could provide a complete, diversified transportation system.

We are hopeful that public interest and insight into the railroad situation will continue as it has in recent months. If it does, laws that are fair to all forms of transportation will result.

R. E. SALVATI

President, Island Creek Coal Company

In my opinion production and sales of bituminous coal in 1959 will show substantial improvement over 1958. Barring a prolonged steel strike, 1959 production should approximate 450 million tons as compared with 400 million in 1958. Industry profits will exceed those of 1958, but will not reach the levels recorded in 1957. Competition will remain keen both withing the industry and with competitive fuels, and as a result the "career" coal companies will not only continue, but accelerate their efforts and investments in the interest of lower cost and increased productivity.

R. E. Salvati

Forecasters are unanimous in their conclusions that demands for bituminous coal will show annual increases over the next decade, and there are many who believe that within the next few years demands for quality coals will exceed the industry's present-day capacity.

As in all extractive industries, planning must include not only replacement of exhaustion, but increased capacities to satisfy growth demand, and only the larger, well financed, and professionally managed coal companies will plan toward this opportunity and acknowledge it as a responsibility beneficial to their stockholders and customers. In my opinion, many plans for growth and expansion previously blueprinted for 1958 but laid aside because of the general business recession, will become actualities in 1959.

DAVID SARNOFF

Chairman of the Board, Radio Corporation of America

Increased sales in the fourth quarter gave the Radio Corporation of America an annual volume of business in 1958 approximating the record high of $1,176,000,000 achieved in 1957. Earnings in the quarter also rose over the comparable period last year. This increase in sales and earnings reflected not only the general improvement in the national economy but also RCA's higher rate of Government business, its introduction of important new products and services, and further intensification of operating efficiencies.

David Sarnoff

Profits during 1958 will total about $2.00 a share compared with $2.55 in 1957. Dividends to stockholders declared for 1958 amounted to $23,886,000 (preferred $3,153,000; common $20,733,000).

The RCA Board of Directors declared the same dividend as last year: $1.50 (25 cents a quarter regular and 50 cents extra). This action is an indication of RCA's improving profit picture and the confidence of the Board in the Corporation's prospects for 1959 and subsequent years.

Sales to the Government in 1958 totaled approximately $300,000,000, an increase of 14% over 1957. This business accounted for nearly 26% of the Corporation's total volume. Shipments to the Government increased throughout 1958, reaching nearly $100,000,000 in the final quarter. The backlog of Government orders at year-end is approximately $300,000,000, an increase of $50,000,000 during 1958.

The second half of 1958 saw a marked upturn from what had been the most severe of the postwar economic readjustments. The new year begins with definite indications of new peaks in the production of goods and services, consumer income and spending, and construction outlays.

The outlook for 1959 indicates a good year for business, and for a continuing growth of the American economy.

The Growing Importance of Electronics

During 1958—the first full year of the Space Age—electronics played a key role in the successful launching, tracking, guidance and control of missiles and man-made moons, and this role boldly underscored its growing importance to the nation and to the world.

The changes it is bringing about, in virtually every aspect of our daily lives, are almost incalculable. Electronics has profoundly transformed our concepts of defense, communications, transportation, entertainment, business and industrial operations, and has had an important impact upon our living.

Increasingly, the electronics engineer has become the teammate of the physician, surgeon, biologist and chemist. Electronics is now an indispensable part of every other science. Through its ability to multiply enormously man's energy and knowledge, it has given us a wholly fresh outlook on what is possible for the future.

In bringing about these far-reaching changes, electronics itself has changed and expanded significantly. In the past 12 years, it has grown at a rate more than six times that of the national economy as a whole. This exuberant upsurge has made electronics a $14 billion a year industry.

As a pioneer in the science, technology and business of electronics, RCA has contributed importantly—and adjusted importantly—to the tumultuous changes that have taken place.

RCA's *contributions* were dramatically symbolized during 1958 by its vital defense work—from the sandy spit of Cape Canaveral, Fla., to the frigid outposts of the Arctic—by its introduction of almost 100 new products and services, and by achievements in its research laboratories that give promise of even more remarkable products and services for the future.

Its *adjustment* to change was symbolized by its continuing shift from a business oriented primarily toward entertainment to a richly diversified one in which defense and industrial products are taking on mounting importance. Since 1950, the nonentertainment aspects of RCA's business have risen by more than 250%.

This adjustment was epitomized, too, by the expansion and realignment of RCA's manufacturing facilities, and by the streamlining and strengthening of its corporate structure. A total of 12 important new units were created to move decisively into areas of greatest potential growth such as missiles, satellites and space vehicles, automation, electronic data processing, and atomic energy.

These adjustments, we are confident, put RCA in a position to take fullest advantage of the expanding opportunities, and to contribute even more effectively in four major areas of electronics—the exploration of space, national defense, business and industry, and the home.

Electronics in Outer Space

The recorded voice of President Eisenhower relayed earthward from the Atlas satellite heralded the dawn of an era when man may become almost as active in interplanetary space as he has been on the earth's surface.

The communications equipment in the Atlas satellite was designed to receive and transmit simultaneously several written messages and one voice message when within range of designated ground stations. A major part of the communications system, both in the Atlas and on the ground, was developed and built by RCA for the Army Signal Corps.

No one is wise enough to foresee all the consequences of our bold new adventures in outer space. One thing, however, is self-evident. Electronics will play a vital part in our intensified explorations and conquests. This was dramatically foreshadowed by still other events of the past year.

For example, a powerful new RCA tracking radar furnished information necessary for the successful orbiting of our earth satellites. The radar followed the big rockets from the moment of launching, feeding information into an electronic computer that determined the precise moment for firing the all-important final-stage rocket—the one that kicks the satellite into its orbit around the earth.

Already in the forefront of the new technology of space electronics is RCA's Astro-Electronic Products Division, established early in 1958 at Princeton, N. J. The first organization of its scope anywhere in the electronics industry, the division spearheaded RCA's contribution to the Atlas satellite, and today is developing, designing and constructing other satellite electronic systems on firm delivery schedules. Initial deliveries already have been made for various satellite projects.

Engineers and scientists of RCA have conducted investigations pointing to the technical feasibility of special purpose satellites in several areas.

They have made detailed studies of the possible use of an artificial moon as an orbital post office for space mail delivery between the United States and Europe.

Ground systems on both sides of the ocean would link post offices in major American and European cities with transmitting and receiving stations communicating via the satellite relay. Letters written on special forms would be converted electronically into radio signals for trans-Atlantic space transmission. At the receiving end, high-speed electronic printing techniques, such as RCA's "Electrofax," would convert the signals back to letter form for postal delivery.

Also under study are systems of specially equipped satellites which might be placed in orbit at various levels above the earth to serve as relay stations for international communications, television and other services.

Orbital weather stations are another possibility. Carrying special equipment for detecting changes in cloud

cover and heat radiation, they might very well improve our techniques of weather forecasting and lead to further understanding of phenomena relating to climate and weather.

Finally, it is conceivable that satellites could enable an international control organization to observe major threats to world peace, and warn against an impending attack anywhere on the globe.

Electronics in National Defense

Electronics is dramatically reshaping our concepts of national defense.

It is at the very heart of the control systems that fire our missiles and direct them across thousands of miles of space to their target area. Electronic devices see, hear, and think for our supersonic jet fighters and bombers, and our nuclear-powered submarines. Electronic warning systems serve as our silent sentinels all along the vast periphery of the Free World, ever alert to the grim possibility of enemy attack.

One of America's top-priority defense projects is the construction of a Ballistic Missile Early Warning System (BMEWS) which was started this year. This complex system of long-range radar bases in the Far North is designed to provide prompt notice of any missile attack across the polar region.

RCA, as prime contractor to the Air Force for BMEWS, has responsibility for the planning, system design, production supervision, installation and initial operation. I am happy to be able to report that construction of BMEWS is solidly on schedule. A combination of dynamic drive in construction work through the summer by the Army Corps of Engineers, and ingenuity in keeping Arctic port facilities free of ice as the fall came on, made possible the favorable pace of work on this all-important program.

Not only in missile defense but also in missile development, electronics is essential. At Cape Canaveral, where the IRBM's, the ICBM's and the other awesome weapons of tomorrow are undergoing tests, electronic data guide the men directing the operation and tell them what went right—and what went wrong. Some 2,800 engineers and technicians of the RCA Service Company handle the vital electronic aspects of range operations at Canaveral and the down-range chain of tracking stations, consisting of 11 island bases and 11 specially-equipped picket ships.

During the year, these engineers and technicians put into operation new equipment and new techniques that vastly enhanced the range's capacity and efficiency. A shift of facilities—planned, engineered and carried out by RCA personnel—made possible the "countdown" of three missiles at a time instead of one.

The new emphasis on missiles has put a premium on electronic equipment that is compact and lightweight but at the same time rugged and reliable. By combining existing techniques of miniaturization with a revolutionary new micro-module concept of a uniform size and shape for all elements, RCA engineers have demonstrated that many important military items can be reduced to at least one-tenth—and in some cases to as much as one-thousandth—their present bulk. Experimental circuits, including entire assemblies of transistors, wiring and other elements compressed into micromodules no bigger than a cough drop, have been built for the Army Signal Corps.

Out of the systems and devices intended primarily for our national defense effort, we are confident, will eventually come many worthwhile developments for business and industry.

Electronics in Business and Industry

The application of electronics to business and industry is moving swiftly forward under the impact of new scientific knowledge and new equipment. Electronics is being called upon, more and more, to provide the means of communication, the computing systems, and the control devices. The more complex the operation, the more important is electronics' role likely to be in performing it.

In our factories, electronics is adding startling new dimensions to human efficiency. In our offices, it is making molehills out of mountains of paperwork.

During 1958, RCA made giant strides in developing new electronic equipment for business, industry, and government. It put on the market the first fully transistorized, general purpose electronic data processing system. Known as the RCA 501, the system is designed to bring full-scale data processing within range of the average company. Orders already have been received from banks, insurance companies, manufacturing concerns and Government agencies.

The increasing activity in automated materials handling and processing led to the establishment of a new Industrial and Automation Division. Already launched is a newspaper printing and distribution automation program, aimed at the eventual production of the daily newspaper from the raw newsprint to the delivery truck. RCA also extended its line of automated equipment for the beverage industry, and introduced automatic process and inspection equipment for the automotive and steel industries. In advanced development is a transistorized remote control system for pipeline operations, for public utilities, and for industrial production.

The growing scope, speed and complexity of manufacturing, transport and commercial operations gave further impetus to the use of microwave and mobile radio communications, and closed-circuit television. TV also continued to find favor in the nation's classrooms, and an electronic language-teaching device was introduced to extend electronic technology's aid to education.

Electronics in the Home

It was as an entertainment medium that electronics originally captured the popular imagination—first with radio and later with black-and-white television—and its influence in this area continues to mount.

Two developments in 1958 highlighted the progress of electronics for the home. One was the introduction of stereophonic sound to the popular market. The other was the sustained growth of color television.

Stereophonic sound—the full dimensional reproduction of high-fidelity music—represents the culmination of a steady rise of popular interest in quality music listening. Its impetus is expected to boost the recorded music industry's business well over the billion-dollar mark in 1959.

RCA asserted early leadership in the stereophonic field with two major innovations: the first complete line of stereophonic high-fidelity instruments, and a revolutionary stereophonic tape cartridge providing four times as much music as the standard tape. Together with the new RCA Victor stereophonic records, these developments put stereo within the price range of the average American family.

In color television, the growing public acceptance was reflected in a significant increase in sales, despite the industry-wide softening of black-and-white television sales. New refinements in broadcasting techniques, the heaviest schedule of color programming so far, and increasing dealer enthusiasm combined to produce higher sales for color in 1958 than in the previous year. A major innovation was the "Wireless Wizard" ultrasonic remote-control unit for color as well as black-and-white TV. RCA is planning increases in 1959 in its color activities.

In overall television production and sales, RCA retained its industry-wide leadership during the year. A notable milestone was the production of the 10 millionth RCA Victor television receiver—a record for the industry and a tribute to RCA's distinctive quality performance.

In addition to its continuing leadership in color television programming, the National Broadcasting Company registered broad gains during 1958 in its television and radio network operations, and laid the foundation for still greater broadcasting services in the years ahead.

For the 11th straight year, national advertisers invested more heavily than ever before in NBC's Television Network, and NBC-TV again led all networks in number of sponsors. Gross time sales in 1958 exceeded the previous year by 11%, more than double the network's volume of five years ago.

NBC reaffirmed its faith in radio by developing a wider variety of new programs and formats. Toward the end of 1958, NBC Radio had 48% of all measured network radio sponsored time, and commercial radio business was up 20%.

Prospects for the Future

These were the directions and the dimensions of electronic progress during 1958. They opened wide the gateway to space, greatly strengthened the effectiveness of our national defenses, quickened the pace of industrial efficiencies, and made possible new opportunities for cultural enrichment.

This progress is even more significant in what it portends for the future. Electronics will multiply a thousand-fold man's capacities to produce and enjoy the riches of the earth and of science, at the same time that it raises the level of his vision to the farthest reaches of the universe.

Electronics will play a dominant role in the control of thermonuclear fusion, the energy-releasing process that occurs in the sun and the stars, for the ultimate production of unlimited power for man's use.

It can help immeasurably to meet the needs of our growing population and the challenge of Soviet technology to catch up with and surpass this country's production levels.

To counter the Communist economic challenge will require all our energies, daring and dedication of purpose. It is obvious that simply to remain abreast of our own national needs or merely to keep pace with the Soviets, can be neither a yardstick of achievement nor a goal of accomplishment. The American objective must be dynamic advancement—within the free enterprise system — to constantly higher levels of technology and productivity.

STUART T. SAUNDERS

President, Norfolk & Western Railway Company

The outlook for business in general and the railroads in particular is considerably more promising today than it was this time last year. Our economy has come through the recession in good shape, and the prospects are that 1959 will be a year of improvement for business, with high levels of productivity and prosperity. There is nothing to indicate, however, that a new boom is under way. Steady growth, rather than spectacular expansion, will likely be the tempo of the new year.


Stuart T. Saunders

In 1958, the railroads felt the impact of the recession more than most businesses. This stemmed from the fact that railroading is a volume business, which is directly and immediately affected by declining economic activity and inventory reduction. However, unlike other industries of this type, the railroads are seriously handicapped by unfair and outmoded governmental regulatory and taxation policies. Fortunately, growing public concern for the shackled railroads resulted in adoption by Congress of a new transportation act recommended by the Smathers Committee. Although limited in scope, this legislation is a step in the right direction and will afford the railroads some measure of relief.

The lifting of some of these regulatory burdens will provide greater opportunities for the exercise of sound managerial discretion in curtailing unnecessary and uneconomical operations and in competing for the additional traffic that will be generated in the years ahead. Another development which will benefit many railroads is the increased emphasis on cost control. Under the impetus of the recession, a number of railroads have effected large savings without impairing efficiency by re-examining critically every phase of operations. Thus, during the six-month period ending Nov. 30, 1958, the Norfolk and Western, with a 17% drop in operating revenues, was able to reduce operating expenses by 25% and increase net income by 7%.

With business activity increasing, the N&W expects its

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traffic and earnings to be better this year than they were last. Coal is the most important component of our traffic, and, despite uncertainties in the export market, increased operations in the steel and electric power industries should result in stronger demand for coal in 1959 than in 1958. The National Coal Association estimates that coal production this year will be 455 million tons, compared with about 400 million tons last year.

At the present time, we are in the process of acquiring 268 additional diesel locomotives at a cost of almost $50 million. These locomotives are being delivered at the rate of approximately 16 a month and will completely dieselize our operations at present traffic levels early in 1960. In addition, we are currently constructing 40 new hopper cars a week in our shops, at a weekly cost of approximately $350,000. We spent almost $46 million for capital improvements in 1958 and will spend an estimated $60 million for the same purpose in 1959. It seems clear that capital expenditures will remain at high levels in the future as the N&W continues to act upon its conviction that the territory it serves has a bright future.

HENRY B. SARGENT

President, American & Foreign Power Co., Inc.

The pace of Latin American economic expansion, which was slowed somewhat last year due to reduced export income and to continued problems of inflation and foreign exchange, may again be affected in 1959 by some of the same problems. However, basic economic advancement, marked by rising living standards and industrial growth, is sure to continue with no let-up expected in the growth of demand for electric power in the areas served by American and Foreign Power subsidiaries. Important factors behind this continued rise in consumption of electric power are the world's fastest rate of population increase, expansion in residential usage of electricity, the inauguartion of new industries and the expansion of existing industrial enterprises.

Henry B. Sargent

During the year just ended, the American & Foreign Power Company System, serving eleven Latin American countries, spent neary $100 million, to expand and improve its electric power facilities, increasing total system capacity by 12%. Some of the largest additions to capacity were made in Cuba and Mexico. In Cuba, power-producing capacity was increased by 24%, and in Mexico, 38%. New capacity was placed in operation also in Ecuador and Panama, while in Brazil, work progressed on large additions to generating capacity which are to begin service in 1959 and subsequent yeers.

During 1959, it is expected that another $100 million will be spent on system expansion, and construction expenditures are expected to continue at this level annually for at least another three years. Approximately half of these expenditures will represent purchases of electrical equipment and materials produced by United States manufacturers. Furthermore, the availability of additional supplies of electricty in the areas served by our associated companies will result in sales of a wide variety of manufactured products by United States manufacturers, including machinery, electrical appliances and accessories.

There were several outstanding developments last year which should have a favorable effect upon the electric power outlook in particular areas served by Foreign power. One of the most important of these developments was the signing of a contract with the Argentine Government to settle the long-standing difficulties of our Argentine subsidiaries. This contract provides for the sale of all our Argentine properties to the Government with payment to be made in United States dollars over a fifteen-year period. Under conditions stated in the contract, the compensation received, plue 25%, will be reinvested in Argentina, with our Argentine companies agreeing to build a 300,000 k.w. steam-electric generation plant to serve the Greater Buenos Aires area. The power to be produced by the new plant would be sold at wholesale at a price sufficient to provide a reasonable return on the capital invested. Since nearly half of our Argentine properties had been taken from us by the Peron Government and the remaining properties had been operated at a loss for many years, the new contract should be beneficial to the Company. It also constitutes a major step forward for Argentina, since, besides helping to relieve the chronic electric energy shortage in the Greater Buenos Aires area, it has gone far toward restoring Argentina's credit standing abroad and toward encouraging a greater flow of badly needed foreign capital. The power plant to be built under the contract will increase Argentina's total electric generating capacity by 12% and will result in importation from the United States of some $40 million of machinery and equipment.

During the first nine months of 1958, the Company increased its investment in its associated companies in Latin America by over $27,000,000. At the same time, further progress was made in the Company's program for obtaining outside financing, both in the United States and in Latin America, for its expansion program. Credits totaling $10,875,000 were obtained in October by two of our Brazilian subsidiaries from the Export-Import Bank to assist them in meeting the dollar costs of their construction programs in Brazil, to which reference has already been made. This followed sales, earlier in 1958, of $36,300,000 of Foreign Powers 5⅞% debentures. This brought total sales of these debentures to $52,500,000, of which the Metropolitan Life Insurance Company and the Export-Import Bank each purchased $25,000,000.

Further progress in financing expansion through the sale of the subsidiaries' own securities was made in Cuba and Panama. During September, our Cuban subsidiary successfully placed nearly $8 million of additional common stock with a limited number of private investors in the United States. Sales of the subsidiary's 5% dollar bonds in Cuba also continued, with the total of such sales since the campaign was initiated in 1953 reaching a figure of $13,600,000. An offering last August by our Panama subsidiary of $1.2 million of its debentures and common stock was quickly oversubscribed by the public in Panama. Credits to finance construction have also been obtained from local banks and governmental agencies such as the Brazilian National Bank for Economic Development, Nacional Financiera in Mexico and Financiera Nacional de Cuba.

We are confident that, during 1959 and succeeding years, further progress will be made in obtaining participation by private and institutional investors, both in the United States and in Latin America, in the provision of the large amounts of capital continually required by our associated electric companies in their efforts to keep up with Latin America's rapidly expanding electric power needs.

Although Foreign Power in 1959 will still face problems deriving from inflation and currency depreciation in certain countries where electric power rates are not automatically adjusted to reflect the resulting increased operating costs, we are hopeful that remedial legislation will be passed this year in Brazil and Chile which will provide a basis for an expanded construction program in both these important countries.

As an indication that many investors in the United States share the confidence of Foreign Power and its subsidiaries in the economic opportunities and further rapid progress ahead in Latin America, United States direct investments in that area now exceed $9 billion and are larger than in any other region in the world. These investments, of which the Foreign Power System companies constitute one of the largest, are a vital link in our growing economic relationships with our Latin American neighbors and are an important element in Western Hemisphere unity and strength.

E. W. SCHUMACHER

President, American Optical Company

In general, we expect better than a 10% sales increase and a substantial increase in our net profits over 1958. We have four major divisions in our company, each serving a separate market. The Ophthalmic or Eyeglass business, consisting of frames, lenses and cases, will show a definite gain in sales and profits for a variety of reasons—one of the most important being a growing awareness on the part of the public of the importance of good vision and the effect upon appearance of properly styled eyeglass frames.

E. W. Schumacher

Our Instrument Division, both Scientific and Diagnostic, will continue to show gains because of substantial improvement in our product lines and because we have entered new fields.

Our Industrial Safety business will show some gain but is dependent upon employment and heavy industry, and until this employment increases, we do not look for much in the way of profit improvement.

Our Sunglass business is expanding rapidly, and barring sunless weather which occurred all over the country last year, we should have an excellent sunglass year.

We expect a great deal of pressure on wages and higher costs. We are organized to resist these increases on all fronts. This is the biggest problem facing our management today.

IRVING I. SCHACHTEL

President, Sonotone Corporation

Assuming a favorable economic climate prevails in 1959, which we have every reason to presume, Sonotone Corporation expects to go forward in its various fields of operation. Our hearing aid business relates to an expanding market. Based on the ever-increasing population and extended longevity of our citizenry with the incident of deafness related to older age, we have every reason to expect furtherance of our growth in this field. Our leadership responsibility is fortified by continuing developments to make our hearing aids more acceptable and functional.

Irving I. Schachtel

Our nickel cadmium battery operation is proving itself more and more fundamental in this art and wider uses are being endorsed by both military and commercial customers. Here again, we anticipate further growth.

Despite the amazing transistor, miniature and subminiature vacuum tubes are being consumed in even greater quantity than during 1957, and we look forward to further progress in our tube operations for 1959.

Stereo is capturing the imagination of the public in home phonograph apparatus and Sonotone is indeed proud of its contribution with its quality, but low-priced, stereo phonograph cartridge. We expect our growth to parallel that industry, concerning which we are most optimistic.

Other products that we have developed in the field of electronic applications are currently planned for early 1959 production, and we are also undertaking most interesting and challenging developments that we look forward to producing during the latter part of that year.

Sonotone expects to go further ahead during the coming year and at the same time it anticipates a general industry advance.

JOHN A. SCHOONOVER

President, The Idaho First National Bank, Boise, Idaho

The year 1958 for Idaho has been quite good, with most lines of business operating at a satisfactory profit. It is gratifying that agricultural and livestock operations had favorable weather conditions and had prices which proved to be reasonably satisfactory.

Our bank, through its 33 offices representing approximately 35% of all commercial banking business of the State of Idaho, has made loans during 1958 approximating $116 million, which loans have been granted to farmers, livestock men, and what is generally termed small business people. These loans are being repaid without apparent distress or difficulty on the part of the borrowers, which fact would seem to indicate that those businesses have been able to operate with reasonably pleasing results.

John A. Schoonover

As we look forward to another year, we do so with considerable confidence, which apparently is in agreement with the forecasts of most well-informed people. I believe, however, that the hope of manufacturers of new cars is bound to fall substantially short of estimates, partly because of high prices which must be paid for the cars, but mostly, because the racy lines had uncomfortable interiors are not meeting with the approval of the automobile buying public.

It should also be realized that America at this time has the greatest productive capacity in the world's history and that that capacity is not entirely in use at this time. Seven percent of the nation's work force is still unemployed; there is a surplus of almost every commodity; and any reasonable person must face up to the fact that for the next several years competition in all lines will be terrific, and success will only come to the careful, efficient operator, whatever his business may be. I would also venture the opinion that interest rates will go lower during 1959 than they are at the present moment.

We look for Idaho, with its well-balanced economy and abundant natural advantages, to be among the states making the best progress.

EARL B. SCHWULST

President, The Bowery Savings Bank, N. Y. City

All types of institutional savings have flourished during 1958; the final figures for mutual savings banks will show a net gain in deposits of well over $2 billion, the largest net gain in their history.

In a year characterized by recession and sharp recovery, part of this growth has come as the result of selective spending and investment. A reversal to a spending spree would slow down the growth of savings in 1959 as compared with 1958. At this time there is no evidence that spending in the near future will reach such proportions as to warrant unusual demands on savings institutions. The preference for new homes in 1958 rather than new automobiles is an indication that consumers are screening their purchases and prefer buying for investment rather than spending for purely immediate needs. Such investment buying is really part of a well-integrated savings program and has contributed much to the economic security of the country. It provides fresh evidence that consumers have faith in the continued integrity of the dollar, in spite of a great deal of talk about inflation.

Earl B. Schwulst

With only minor interruptions, the trend of long-term interest rates has been upward since 1946. Savings institutions, in fulfilling their role in a free economy, have increased their earnings and passed the major portion of these increases on to their policyholders, shareholders, and depositors. Very little is known about the problem of whether or not increases in interest rates promote savings, but we as savings institutions like to believe this to be the case. As our earnings increase—and I have little doubt that this increase will continue through 1959—our dividends and interest payments will also increase.

The managers of thrift funds, however, are not without their problems. As money rates have increased, the market value of investments made at lower rates has depreciated. Prudent management has always dictated that the growth in deposits or policyholders' reserves should be accompanied by a corresponding growth in the capital funds available for their protection. On top of this, now with higher money rates, institutions must

bolster their reserves against older investments made at lower rates.

Managers of institutional funds are well aware of these two problems, and will only move to increase the reward to savers after providing adequately for the protection of the funds entrusted to them.

F. RITTER SHUMWAY

President, Ritter Company, Inc.

The year 1958 was one of the most unusual and one of the biggest that the dental equipment industry has ever experienced. The reason for this situation, in spite of the "recession" in the rest of the economy, was accountable in two ways.


F. Ritter Shumway

(1) The revolutionary new Ultra High Speed Air Turbine Dental Drill which was introduced in the last month of 1957 came into full production for the entire year of 1958. The quantities with which the profession bought this new tool was larger than anything else that has ever been manufactured by the producers of heavy dental equipment. This meant not only large volume and great activity with this one product but it also stimulated the sales of other heavy dental equipment.

(2) The ratio of dentists to population has been declining in recent years with the result that dentists must take care of more and more patients annually. This fact plus the fact that the income of the patients of dentists did not suffer seriously in the recession of 1958 meant that dentists have kept busy and their incomes remained steady and at a good level throughout the year. Under these circumstances it was only natural that they should be good prospects for and should actually have bought new equipment as they modernized their offices and their techniques with the Air Turbine Handpiece which has been demanded by their patients once they have heard about it.

The situation described under point No. 2 above should continue in 1959. In fact, if anything, it should become more accentuated as the general economy recovers, as is generally conceded to be the case, and the patients of dentists have more income with which to pay for dental care.

The point will be reached in 1959 at which the Air Turbine Dental Handpiece will have to be sold rather than merely delivered to those who demand it. Dental equipment manufacturers who have a strong selling organization and good distribution systems should enjoy a good level of activity in 1959.

MERRILL E. SHOUP

President, Holly Sugar Corporation

Two events of the past year have a bearing on the future prospects of the beet sugar industry. These were the huge deficits in supply of two of the domestic sugar producing areas, Hawaii and Puerto Rico; the other the approval of the International Sugar Agreement.


Merrill E. Shoup

Representatives of the important world sugar producing and sugar consuming countries met in Geneva, Switzerland, this past fall in negotiations relating to the renewal of the Sugar Agreement. The Agreement, similar to those which have been in effect for a number of years, is designed primarily to stabilize the world situation in sugar and harmonize the conflicting interests of the major consuming and exporting countries. If the goals are attained even in part, the background in which the domestic sugar industries operate will be stabilized and improved.

During the past year, the drought in Puerto Rico and the extended strike of sugar workers in Hawaii resulted in a sharp curtailment in supply from those origins. The deficits totaling nearly three-quarters of a million tons so created were filled by sugar from the mainland beet and cane sugar areas, as well as Cuba. The unexpectedly large increases in the marketing quota for the beet sugar area were met in large part out of inventory and new production. Acreage allotments for 1959 should provide for adequate inventory replacements. The calendar year marketings in 1959 will, however, necessarily decline somewhat under the reduced marketing quotas expected for 1959.

For the coming year, two major fields of interest to beet sugar producers must be mentioned. These relate to the renewal of the Sugar Act as it affects both users and producers and to the political situation as it may exist in Cuba.

For the past 25 years, the Cuban sugar industry, that of the Philippines, and that of the domestic areas including Puerto Rico, Hawaii, the Virgin Islands, and the cane and beet industries of the mainland of the United States have been protected by quotas, with a tax and conditional payment system applicable to the domestic areas, a tariff of 50 cents per hundredweight on raw sugar of Cuban origin, and exemption from the tariff for Philippine sugar. It is anticipated that the legislation will be extended in its present form by the new Congress. There may be minor issues raised, but the interests of consumers as well as producers have been well protected. There have been periods when the so-called world prices have been substantially in excess of domestic prices, as well as longer periods when the reverse situation has been true. Because of the generally successful nature of the Sugar Act, it is expected that it will be renewed.

The political situation in Cuba, a subject about which we know very litle, can only be determined with the pasage of time. Apparently the contending forces in the Island Republic appreciate the need for economic strength and recognize that the well being of the island is dependent upon the fortunes of the sugar trade. However, whether the passions of the contenders can be diverted from the destruction of sugar and sugar property during the heat of civil conflict is still an unknown. To date, it appears that destruction of the means of sugar production has been limited. It is recognized that the United States is the preferred market for Cuban sugar and that the normal total production of the area is far in excess of our normal takings. Consequently, while there may be temporary transportation disruptions and interference with supply necessitating some expansion of protective inventories by mainland refiners and industrial users of sugar, we would anticipate that the supplies needed from this source by domestic consumers will over the year be forthcoming.

The curtailment in marketing quotas expected because of the anticipated expanded production in Hawaii and Puerto Rico will limit the volume of sales for the coming season. It is our feeling, however, that the beet sugar industry may find some improvement in the price structure because of possible temporary disruptions of supply from Cuba as well as an apparently growing recognition of its needs, but that cost factors associating with material and supply items, as well as the wage bill, may offset this in large part.

HERBERT L. SHUTTLEWORTH, II

President, Mohasco Industries, Inc.

The Carpet Industry enters 1959 with considerable optimism, the result partly of the Industry's performance during the recent recession and partly the favorable outlook for 1959. Along with this optimism, there is, however, a realization that several matters of concern to the Industry await solution.


H. L. Shuttleworth II

The performance of the Industry in 1958 was generally encouraging. Unit sales of carpet manufacturers totaled approximately 112,000,000 square yards or practically the same amount achieved in each of the record years 1956 and 1957. Dollar sales in 1958 declined only 4% from $571,000,000 in 1957 to $548,000,000, despite two general price decreases, an increase in the proportion of sales of lower valued carpeting, and a widespread liquidation of inventories at both the wholesale and retail level. Operations were generally profitable throughout the industry, the financial condition of Industry members remained essentially sound, and, of considerable importance in its possible favorable effect on 1959 operations, the inventories of manufacturers, wholesalers, and retailers were substantially reduced.

For 1959 the outlook for the general economic factors effecting the Carpet Industry's sales prospects is decidedly favorable. Private residential construction and commercial construction are expected to show gains over 1958, the former of a substantial nature. Remodeling of existing homes and commercial establishments should also continue at the expanded rate noticeable in the past few years. New family formations should rise above their existing high level. The pace of family relocation, which now finds one of every five individuals relocating once a year, is expected to continue. And, of special interest, disposable income should remain at a high level and liquid savings of individuals are exceptionally high. Actually the Industry can expect to benefit in 1959 not only from the current strength in many of these factors but from the strength exhibited therein over the past few years for there is considerable evidence that a portion of the carpet sales derivable therefrom are normally postponed for a few years.

The Industry is in a good position to take advantage of these factors. Its inventories are in good balance. It is offering the consumer a product possessing many important and proved functional values—color, beauty, warmth, quiet, safety, and ease of maintenance — at reasonable price levels and on attractive credit terms. Its 1959 product lines incorporate many improvements in styling, texture, coloring, and durability, and the contemplated 1959 advertising and promotional programs of the Carpet Institute and its member companies are designed to effectively exploit these advantages.

Thus, 1959 should witness a high level of activity for the Carpet Industry. This will undoubtedly result in some improvement in operating results of member companies. Greater stability in raw material costs will also contribute to this improvement. But the earnings experience of the Indutsry will not rise to satisfactory levels in spite of enoromus funds spent in recent years by member companies to improve their facilities and efficiency. This situation stems primarily from the harmful effects of continuously expanding foreign imports which, by virtue of further tariff concessions granted by the recent Congress, should continue to grow in importance.

HERBERT R. SILVERMAN

President, James Talcott, Inc.

Because of the recession in late 1957 and early 1958, many businesses and industries were forced to curtail expansion and modernization programs which were either in progress or in the planning stages. When the economic outlook began to clear in latter part of 1958, sales improved, unemployment figures dropped and most other economic indicators turned upward. Cautiously at first, then with a little less timidity, the expansion programs were again taken from the shelves and dusted off. From a business viewpoint, the best part of 1958 was its ending.


H. R. Silverman

The 1957-58 recession, its length and even its severity were predicted by a number of economists. Many saw it coming and were not really surprised by it.

In contrast, very few people are predicting a similar recession for 1959. It is difficult to be pessimistic today, especially since we proved that the economic downtrend could be reversed.

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Flushed with this success, there is an unfortunate tendency to build our hopes too high. I believe 1959 will see a steady, yet selective, rise in our nation's economy. I believe the progress of most individual businesses and industries will follow a similar pattern. Unlike some others, I do not foresee another "boom" year in 1959 but, instead, a moderately better year than 1957 and 1958. I expect there will be more than one "soft" spot.

As for my own field, the commercial finance and factoring industry, I feel that it will do a little better than the general economy. There are a number of reasons why it should.

First, more companies are going to continue the expansion programs which were cut back last year. That means they will be seeking capital to finance these programs. Our industry is well equipped to meet this demand for credit, especially when adequate bank lines are not available to these firms.

Then, the commercial finance industry today is not dependent on any one industry or any one area of the nation. Companies in this field have diversified not only the types of industries they serve, but they have also broadened the scope of financing services they can offer. In this way, they are closely attuned to the general economy of the country.

But they have an advantage that many industrial companies do not have. They have extreme flexibility. In a selective economy such as the one I foresee in 1959, commercial finance firms can concentrate their investments in the more profitable fields, and do it quickly because of their basic liquidity.

A good example of this was shown during the past year. In spite of business contraction, tight money, restricted credit and rising money costs, the commercial finance and factoring industries increased their loans outstanding by some 7 per cent to $11,900,000,000. In 1959, this figure should reach approximately $12,500,000,000.

Banks, institutional investors and stockowners historically have been the source of funds for companies in the commercial finance and factoring industries. In almost every year during the past decade, firms in our industry have gone to these sources for more funds to increase their lending bases.

Generally speaking, this trend should continue in 1959 as additional capital is needed. On an over-all basis, however, the amount of funds required may be somewhat lower than in the previous few years. In those years we were preparing for the recession we saw coming. We knew our clients would need capital during the recession and that it would be unavailable to many of them, in the amounts required, from other sources. Our industry went to its sources in the money market and obtained capital funds. When it was needed in quantity by our clients during the recession, we were willing—and able—to provide it.

I am confident that commercial financing and factoring companies will continue to prosper, along with the U.S. economy, throughout 1959.

JAMES M. SKINNER, JR.

President, Philco Corporation

In general, we look for a steady business year during 1959, particularly in the electronics field. Because of the increasing interest in electronic devices, spurred by the publicity given to their use by the military, and the growing sophistication of consumer buying tastes, the outlook for the electronics industry is encouraging.

J. M. Skinner, Jr.

Sales of stereophonic instruments are expected to show an increase. There is a great deal of confusion among consumers as to which types of systems are best, but as the stereophonic concept is more universally understood, the current slow-down in sales should be resolved. The stereo business is expected to develop into a major field, particularly by the last quarter of 1959.

In the radio business, almost a complete shift to the use of transistors rather than vacuum tubes in radio receivers is anticipated. Transistors have definite advantages over vacuum tubes for this purpose, specifically their small size, low power consumption, ruggedness and reliability.

We do not look for any substantial increase in television sales during 1959. Color television continues to be an infant field, nor do we anticipate its becoming a major business during the coming year. Considerable technical improvement is in order before high quality and reliable color receivers can be available to the consumer at reasonable prices.

The appliance business should maintain about the same levels as last fall. Consumer buying cycles are highly unpredictable, but we do anticipate a gradual increase in sales and this business should at least hold its own, perhaps show an increase, during 1959.

The transistor business is experiencing a boom and we expect demand to continue throughout the coming year. These tiny semi-conductors fill many vital applications in the Government, industrial and commercial fields.

Government contracts should continue to be important to American business, because of the continuing necessity for maintaining a state of national preparedness. Electronic equipment such as missiles, radar and microwave, will continue to be needed in great numbers for our nation's defense program.

J. D. SIMMONS

Gustin-Bacon Manufacturing Company

Since the factors or indicators available to businessmen are all more or less pointing upward, and starting some sixty days ago there was a definite change in trend in our business in that our backlog of orders is moving upward and monthly sales are increasing at the rate of about 10% over the same period a year ago, it is our opinion this situation is general and healthy and will continue at this rate for at least the first six months of 1959. We feel the volume of business may flatten out a bit during the months of July and August. However, on the whole, we look for a satisfactory year with the majority of industries showing substantial improvement both in sales and in earnings.

C. E. SMITH

President, Towmotor Corporation

We believe the importance of lift trucks in coordinating all management functions for greater plant-wide efficiency and profit is now a recognized fact throughout industry. "Shall we invest in lift trucks?" is no longer the big question asked by management in factories, mills and warehouses. Their indispensability has been proved.

C. E. Smith

What will most interest industrial management executives in 1959 are new lift truck developments that will *extend their use* in all departments. Extra attention will focus on advances made to *simplify material handling* operations and move more products faster through the plant, off the docks and out of the yard. Management will also give more consideration to the maintenance factors—because lower servicing costs (as well as reduced down-time resulting from minimum maintenance attention) can contribute substantially to the profit picture.

For these reasons we expect to see more use of special load-handling accessories, power steering, automatic drives and other technical advances aimed at reducing handling costs.

Our company is backing up this conviction by introducing a number of new developments, the most revolutionary of which is the new pedal-operated power application which we call Towmostatic Drive. Since it enables operators to move lift trucks forward and reverse more swiftly and smoothly with left foot on a pedal—leaving hands free for easy steering and faster lift operation—and eliminating gearshift, clutch, transmission, drive line and differential which are often the major causes of costly maintenance—more profitable handling of all types of materials is assured.

Our primary objective for the immediate future is geared to further product refinements, as well as new areas of technical development giving industrial management every reason to broaden their use of fork lift trucks for greater profit in 1959.

EDWARD D. SMITH

President, The First National Bank of Atlanta, Ga.

We think business in 1959 will be good probably continuing the upsurge that marked the last part of 1958. We see no reason why the South, which followed the national trends of down and up last year, will not do the same again. This following, however, probably will not have the same characteristics of last year—that is, Southern fluctuations will not be as sharp and extremes will not be as marked as in other parts of the country. This was particularly true in 1958. The South felt the recession, but not nearly to the extent that it was felt in other sections of the country. On an upswing we should have a firm, rising tide but not a boom.

Edward D. Smith

To some extent 1959 will be a "get acquainted" time as business reacts to a new, more Democratic Congress. We think the year will see a continuation of the business interest in politics that showed itself to some extent in the 1958 elections. With government itself clearly a major power in the nation's economy, it is inevitable that the leaders of business will learn to work closer with their representatives on both the legislative and administrative sides of government. This acquaintanceship ought to prove helpful for both business and government.

The fear of inflation is frequently expressed by Southern business leaders. We think it is a real one. We anticipate the year will be marked by renewed efforts to control it. These efforts probably will reflect themselves in the money market. Money certainly will be no more plentiful in 1959 than it was in the last three months of 1958, and there is a good chance that it will be somewhat more expensive.

FORREST M. SMITH

President, National Bank of Commerce, San Antonio, Texas

San Antonio and its trade area have experienced another excellent year in general business conditions. Locally, our merchants report excellent sales and satisfactory profits. Residential construction has revived to a large degree and automobile sales have picked up, in view of new models being offered and most labor problems settled. Bank deposits have increased and the totals will probably reflect, at the year's end, an all-time high as of Dec. 31. We are of the opinion that 1959 will be another prosperous and satisfactory year.

Forrest M. Smith

South Texas, which contributes so much to the prosperity of our city, has experienced a most satisfactory year through excellent commercial and agricultural conditions. While vegetable prices were disappointing in some cases, the cotton crop was good and in spite of the rains impairing the growth of spring crops, the overall benefit from rains was welcome. Residential construction is proceeding throughout the Valley at a satisfactory pace and 1958 saw a great deal of activity in construction of motels to house the winter tourists. Ranchers continued to prosper through advancing prices for their livestock coupled with most satisfactory range conditions. This paradox has not occurred very often in the memory of our livestock friends. Our petroleum industry is fairing better with their proration allowances increased over a year ago.

Inflation continues to be the most serious threat to our economy, affecting the prosperity and happiness of everyone. We should all oppose excess government expenditures which cause deficits, and also encourage our legislators to enact whatever laws are necessary to prevent further disastrous inflation.

W. CORDES SNYDER, JR.

President, Blaw-Knox Company

The present upturn in the national economy has been sparked by the consumer goods industries, rather than any increase in spending for capital goods. This switch in the bellwether role, held by capital spending in the 1955-57 boom, may mean that the producers of capital goods will experience a less dynamic and certainly a later recovery than in the previous economic upswing.

W. C. Snyder, Jr.

Blaw-Knox was not as sharply hit by this recent recession as some companies in the capital goods category. Although sales for 1958 will be lower than the peak 1957 figure of $183 million, they should be near the $167 million recorded in 1956.

At this time we expect Blaw-Knox to have another good year in 1959. And if our major customer industries get their running legs before too late in 1959, and there is some promise of this, we could experience a really big year. Certainly, steel is destined for a better year, which will benefit our company. The Federal highway program may begin to reach the tempo which has been anticipated for the past two years and any improvement here will also boost company sales. Some part of the public utilities field has been experiencing a pause in its capital spending but there is no question but that this whole field will later reassert its growth trends.

With these prospective improvements, how well our company does in 1959 will depend, in large measure, on how effectively we tackle our sales and manufacturing assignments. We're not expecting business in the new year to be a pushover, but on the other hand, we don't see the problems as especially forbidding.

JOHN W. SMITH

President, Seaboard Air Line Railroad

The Southeast has come through the recent recession in good shape. While the effects of the over-all slackening in business activity were, of course, felt by this region, the Southeast demonstrated again a strong resilience in its economy. The basic factors which produced that strength are important in assessing the future outlook for the area and they will bear recounting.

John W. Smith

The tremendous industrial expansion which has taken place in the Southeast during recent years has been characterized by a highly desirable degree of diversification. One result of this is that the region's economy is not too closely tied to any single type of industrial output. Consequently, the Southeast has built into its economy a solid base of income from varied sources which, in turn, has produced a buttress against economic squalls that might affect a single industry to an exceptional degree.

At the same time that this marked industrial growth was taking place, the agriculture of the area also was making notable strides, achieving in its own right a new strength through diversification and the adoption of

improved methods which have led to greater per acre yields and increased income from agricultural pursuits.

Still another factor in the stability of the Southeastern economy is its steadily increasing population and the constantly higher per capita income which its residents enjoy. Creating a larger market for goods and services of all kinds, the region is a natural choice for the location of industrial and commercial enterprises capable of meeting those expanded needs for goods and services.

Yet, with all the achievements to which it may now justly lay claim, the Southeast has but begun to reach toward its potentials. Endowed with an abundance of natural resources, and possessing limitless possibilities for still greater development in all phases of its economy, the Southeast can look forward, with confidence, to a bright and promising future.

WALTER E. SPAHR

Executive Vice-President, Economists National Committee on Monetary Policy

Among the forces of fundamental importance affecting the economy of this nation is our use of irredeemable currency which is one of the most powerful of trouble makers for a people. It is probably second only to war or dictatorship as a disturbing force. The common forms of the difficulties which emerge from the bloating and fevers generated by such currency are either a progressive depreciation in its purchasing power or an economic tangle and contraction arising from the fact that costs have overtaken selling prices in important business areas.

Walter E. Spahr

Since the contraction of 1957-1958 was not accompanied by a general fall in prices and wages, further expansion in business rests upon this lack of adjustment in costs. This fact would seem to suggest that the pressures of costs on selling prices can and may operate quickly unless the latter outrun these relatively high cost-prices. People can, and sometimes are disposed to, withhold or shift their demands, particularly from durable goods, when prices bear heavily on their incomes. These considerations, and the evidence related to them, such as the fact that many producers are losing markets because of their high-price policies, would appear to suggest that an economic contraction is a possibility or probability which should occupy an important place in the considerations of all who are making plans for the future.

Running counter to the forces that could precipitate an economic contraction are many which tend to depreciate our currency still further. Whether such forces can cause selling prices to move ahead of costs, and to maintain that relationship for a considerable period of time, particularly in the face of foreign competition, are questions to which probably no one can supply an answer resting upon demonstrable evidence. Irredeemable currencies have followed the course of progressive depreciation with relatively minor interruptions of the common business contraction type; but the less common economic consequences which can and may occur are severe and even devastating. A multitude of people are generating forces which operate in the direction of a further depreciation of our currency. Apparently there is no way, at this date, to determine whether these forces will override those that ordinarily bring on an economic contraction of the type commonly associated with so-called "business cycles" of a nonrevolutionary variety.

The confusion of forces now operating is exceedingly great because we also have been, and are, experiencing an industrial revolution with its many and powerful ramifications. It may be doubted that anyone has sufficient economic data, or the capacity to comprehend and interpret the collective import of the forces in, and affecting, our economy, to provide a good estimate of whether they should be expected to precipitate an economic recession or to lead us into progressive depreciation of our currency.

The distortions and fevers generated by a depreciated currency and the imprudent spending and other unwise policies of our government, and the forces set in motion by the industrial revolution and capital expansion (which can become excessive very quickly), would seem to call for great caution rather than for sympathetic response to the urgings of professional optimists.

The first step that needs to be taken toward a sounder economic and political state of affairs in the United States is the institution of a redeemable currency at the statutory rate of $35 per fine ounce of gold. With this foundation of monetary integrity on which to operate, may other reforms should then be instituted.

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Securities Salesman's Corner

By JOHN DUTTON

Handling Speculative Accounts

As the public eagerly increases its interest in the purchase of highly speculative stocks, dealers are going to be asked to supply information that is often unobtainable. At the present time we are in a phase of the market when the lay public is beginning to follow tips and rumors and, as the speculative fever rises, this condition will intensify. Any security salesman who is trying to service an investment clientele will understand clearly what I mean when I say that the sheep and the lambs are now coming out of the fold and the shearing day is coming — when that will be only time can tell.

Give a Frank Answer

When you have an inquiry concerning some unknown penny stock and one of your trusting clients asks you to check up and see what you can learn about it, don't go out on a limb. The best answer is to state quite frankly that if they have information from another source that they consider reliable that they should act upon it, otherwise don't do it. All you can do is look up the facts in the statistical manuals which is a matter of public knowledge available to anyone and such information is not pertinent to the rendering of a decision on any speculative situation.

One of my clients asked me just the other day to check up on some unsecured income bonds of a highly marginal railroad. I immediately told him that without any checking the bonds were a very marginal security and that the earnings of this road did not justify any investor's confidence in the outlook for much of an improvement in the market value of the subject bonds. My man then came back with the information that he had heard that a prominent investing company was buying into the common stock of this road and that some very astute speculators were picking up the bonds. He asked me if there was any way I could check up on this bit of gossip and I frankly told him that this was the sort of information that was not available to me. He said he'd take a chance on what he had heard and he gave me a buying order and I bought the bonds for him. If the tip proves out and he makes a profit, all to the good—if it doesn't, it is his hard luck and he knows it. I am not on the hook, he pays his money and he takes his choice.

Don't Overpromise

Then there is the type of situation where a certain amount of provable rumor is known to you and to a few other people as well. Let us say you are in the know on some special aspect of a company's affairs. Never place yourself in a position where you recommend a speculative security on the basis of a possible merger of a weak company with a stronger one, or the acquisition of some smaller company by one that is larger. There are always other controlling factors besides the possibilities of such an event transpiring in the not too distant future.

For example, recently it became known (among a few brokers) that a certain well established company was negotiating with one of the giants in its industry and there was a possibility of a merger on very favorable terms taking place. This was just one interesting aspect among several other factors which made the stock of the first company attractive. It had a long history of progress behind it, the stock had a good earning record, it was a steady dividend payer, and its management was aggressively introducing new products. Even without the favorable merger prospects, the stock was not overpriced.

It would have been a simple matter to call clients and tell them that there was a possibility of a merger between company X and company Y on very favorable terms and this information alone would have been sufficient to induce considerable buying in the stock. But, instead, the proper way to offer this security was to state the reasons why the stock was meritorious at its current price and then state that as a possible development there could be a merger between the two companies which could be very advantageous to anyone who bought the stock now. However, qualify this statement by saying that even if the merger did not materialize the stock was still a sound investment and worthy of purchase at current levels. In this way, you prepare your customer for the possibility that the merger may not be approved, you have sold him a good security fairly priced, and whether the merger takes place or not once again you have not gone out on a limb.

In this business there are too many uncertainties for any salesman to say, "This will be." There are no alibis that will distill the balm of solace on a disappointed speculator's losses.

As the speculative tempo increases and the stock market soars to stratospheric heights, the wise securities salesman calmly lets his less experienced and gullible speculative accounts make their own decisions regarding purchases of venture type securities. He certainly will not help lead the lambs to slaughter regardless of the ease with which it can now be accomplished. Such commissions earned will be as illusory as some of the paper profits we see today. One thing is sure — when the public thinks they can get something for nothing in the stock market they will keep on thinking that way until the time comes when they once again discover that "all that glistens isn't gold."

Form Mutual Inv. Co.

NEW HAVEN, Conn. — Mutual Investment Co. has been formed with offices at 6 Church Street to engage in a securities business. Partners are David E. Rosenthal and Russell Bilgore.

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HON. JOHN SPARKMAN

U. S. Senator (D.) from Alabama

Events will prove, in my opinion, that those who have labelled the 86th Congress as "spenders" are in error. Of course, everyone knows that the accusation has been made for political purposes. I believe the 86th Congress will prove to be a constructive and responsible body and will enact a sound legislative program beneficial to industry and to those other essential segments of America's economic life.

Sen. J. J. Sparkman

However, it is entirely possible and in fact very likely that the Congress will insist on a more adequate national defense program than that called for by the President in his unprecedented pre New Year announcement of the Administration's budget plans for the next fiscal year. Practically all reliable and knowledgeable sources point to the fact that within the next 18 months Russia will have the potential to destroy our advanced air bases and inflict mortal blows on our homeland.

If we are to be able to deter her from such action or to retaliate in kind, we must have more realistic and more rapidly progressing programs of military preparedness than the Administration has planned. Thus in this category Congress will insist on an enlarged budget.

Congress will also pass a housing bill that will include greatly increased authorizations for FHA insured mortgages and urban renewal projects; new authorization for college housing; re-activated GI housing; more local control of public or low rent housing projects, and other improvements to meet more adequately our rapidly expanding housing needs. The housing program, however, will entail only a small expenditure by the Government. The great bulk of the dollars involved will come from private sources.

Home construction is necessary not only to house families but to help provide a stable and growing economy. The Emergency Housing Law of early 1958 is generally recognized as a chief factor in our economic recovery. We do not need such a program now, but we do need sound legislation to help prevent another recession and to provide more adequate housing for our families.

I believe the 86th Congress will agree on a TVA self-financing bill. It does not make good sense in the long run for those who once urged such a plan now to oppose it as a means of destroying this great project, so beneficial to the national interest.

Most of the electric power generated by TVA is used in the defense effort. Flood control and navigation facilities have been of untold benefit to the entire nation. It is repaying the Government's investment ahead of schedule, but will remain a wholly government-owned project when paid in full.

Congress will and should enable it to go to the public and sell bonds for self-financing purposes.

Farm legislation will receive careful consideration, and some farm measures will, I believe, be approved. Cotton acreage transfer authority, for example, stands a good chance of passage. Surplus disposal programs will be continued and invigorated. New farm price support legislation may be approved, but Administration opposition may delay any great change beyond that presently on the books until after the 1960 elections.

Labor reform legislation somewhat in keeping with the Kennedy-Ives bill approved by the Senate in 1958 will most likely be passed. There is no place in Labor unions or industry for the crookedness and wrongdoing that Senate investigations have uncovered. Only a handful of top labor leaders oppose fair labor reform measures.

Legislation in behalf of small business will be pushed. Last year Congress enacted more far-reaching legislation beneficial to small business than in any year of this century.

Limited tax credit for money reinvested will be proposed. Legislation relating to the Small Business Investment Corporation established last year will also be considered. Congress wants to make sure that this potentially worthwhile aid to small business be successful.

Programs of economic and military aid to friendly countries will be continued. Such programs pay far greater dividends in the struggle to combat Communism than the relatively small investments made by us in them. In this legislative category I believe the inclination of Congress will be to support the Administration's recommendations.

Of course there will be hundreds of legislative proposals and dozens of them enacted into law. Tax changes to close loopholes; changes in the social security programs; strengthening of the antitrust laws, and perhaps a school construction bill are all likely to be approved.

However, I believe the programs briefly discussed above will be among the main legislative undertakings of Congress in 1959.

Overall, 1959 promises to be a year of great economic growth at home, and also a year of tension and uncertainties on the international front.

A. E. STALEY, JR.

Chairman of the Board, A. E. Staley Manufacturing Company

The overall business outlook is much brighter than it was only a year ago and in many respects the recovery was more spectacular than the recession. The old year turns out not to have been so bad after all, and business should benefit in the new year from recent experience and the nation's rising economic confidence.

A. E. Staley, Jr.

The A. E. Staley Manufacturing Co. expects to participate in what appears to be a better level of business activity now emerging. Although the corn refining industry is more recession resistant than many activities and doesn't fluctuate readily with economic cycles, it is affected in some degree. Thus the prospective improvement in general business conditions should have a favorable and beneficial effect on our operations.

Supplies of both corn and soybeans are abundant, with all-time record harvests during the past season of these two principal raw materials of the Staley Company.

During 1958, the company's corn division maintained volumes near those of the prior year and the net profit was somewhat improved. The company's soybean division continues to share in record demand for meal, and has thus far succeeded in finding outlets for the tremendous production of soybean oil resulting. The net effect has been somewhat more favorable profit margins in this division during the early months of the current fiscal year.

Continuing growth of the nation's food industry, keeping pace with gains in both population and living standards, provides increasing markets for the company's food and feed products. Renewed momentum in other lines offers improved potentials for the company's non-food industrial products.

With the American consumer demanding new and improved products for both individual and industrial use, Staley's research program continues to grow in size and scope. Market development is underway on several new products.

Aggressive advertising promotion will continue for the company's grocery products under plans recently completed for the new year. Two, "Sta-Flo" liquid laundry starch and "Sta-Puf" rinse, a fabric softener, lead all such products in their field. Promotion plans are also being made for "Hip-O-Lite" marshmallow creme, a recent acquisition joining Staley's line of grocery items.

In sum, we expect a higher level of general activity in the nation's business, with renewed growth potentials. The Staley Company plans to participate fully with greater production, sales, research and product development capabilities.

PHILIP SPORN

President, American Electric Power Company

Although it was April before most indices of economic activity in the year 1958 reached their bottom point and it was not until several months after that that there was clear evidence that the recession was on the way to being ended, the utility industry in 1958 continued to provide an impressive demonstration of its strength and vigor to justify the confidence of its managements in its continued dynamic growth and development. While the industry's kwh input and sales showed a relatively low percentage increase of 1.7% for the year owing to the reduced levels at which all industry was operating through most of the year, peak demand, because of the pick-up at the end of the year, was up by 8.2%. The industry, with confidence in its long-term growth trend, continued its expansion program. Some 14 million kw of capacity were added, with total construction expenditures of $3.8 billion by the investor-owned share of the industry setting an all-time record. The year ended with the industry having a capability of close to 150 million kw. And to cap this series of impressive performances there is the record increase in net income by the investor-owned companies of some $107 million, or 7.5% above 1957.

Philip Sporn

On the American Electric Power Company system, performance was perhaps even more impressive. Thus, as against a utility system increase of 1.7% in energy output, the American Electric Power Company system ended the year with an increase to 24,860,000,000 kwh over 1957's 23,580,000,000 kwh, or a percentage increase of almost 5.5%. Sales increased slightly more as to percentage, and peak demand reached a figure of over 4,330,000 kw, or 9.6% above the 1957 figure. System capability was increased by close to 850,000 kw to bring the total at the end of the year to 5,432,000 kw.

A number of other records in performance were established on the American Electric Power Company system in 1958. For the first time in the history of the Company, net income above $5,000,000 in a single month was achieved. System transmission losses were reduced to 8.5%, and the average system thermal efficiency of its steam-electric stations was increased to over 34%, or a figure below 10,000 Btu per net kwh generated.

On the basis of an expected Gross National Product of some $455 billion and a Federal Reserve Board Index of Industrial Production of 145 in 1959, it would appear that the utility industry generation will, in 1959, reach a new record level of 690 billion kwh, and a peak demand of 130 million kw. These are increases of 7.6% and 8.3%, respectively, above 1958. Gross revenue of the investor-owned companies should climb to $8,900,000,000, an increase of 5.8%. Net income should show an even better gain with a figure of $1,650,000,000, or 7.6% above 1958. Construction expenditures of the investor-owned companies promise to stay very close to the figure of $3.8 billion.

On the American Electric Power Company system this general improvement in the industry should be reflected by somewhat amplified figures. Thus, system input should reach a total of 29.1 billion kwh and system sales a total of 26.9 billion kwh, or increases of 17.8% and 19%, respectively. The peak demand on the system in 1959 is expected to reach 4,750,000 kw, or an increase of 9.7%. System transmission losses should, for the first time, break through the figure of 8% to an expected low of 7.7%. In other respects, also, the system should show further improvements. As a result of intensive sales campaigns to promote major electric appliances, electric heating, and the all-electric home, average electric energy consumption for residential customers on the system should increase to 4,150 kwh, some 550 kwh, or over 15%, above the national average.

During 1959 the American Electric Power Company system will continue to bring in the capacity projected as part of its $800,000,000 expansion program begun in 1956. An additional 540,000 kw gross capability will be added which, after some retirements, will increase system capability by 490,000 kw net, to a total of 5,920,000 kw. Reserve capacity as a percent of peak demand will not decrease nationally until 1960 and 1961.

Nineteen-fifty-nine will also be outstanding, both in the industry and in the American Electric Power Company system, for the stress that will continue to be placed on research and development in generation—both conventional and nuclear—transmission, distribution, and in utilization. And results in all of these areas, along with the general improvement in economic activity that will continue on a moderate scale throughout the year will not only bring the industry back close to its historic trend of growth and development, but should also materially improve the operating margin or rate of return. The electric power industry will thus not only continue to offer the greatest economic bargain to the consumer, but it should continue to merit the confidence of the investing public that is so important to the industry if it is to continue to do the kind of job that it has been doing these many years. This I believe will be especially so on the American Electric Power Company system.

FRANK STANTON

President, Columbia Broadcasting System, Inc.

National television advertising billings will increase by close to 10% during 1959. National radio advertising volume at CBS will also grow in 1959. These predictions are based upon the history of advertising billings during the last decade and especially during the recession of 1957-1958.

Although national advertising fell 9% by September, 1958, television continued to grow during most of the recession and through the ensuing recovery. Television network business increased in the first half of 1958 and through most of the third quarter, with only a slight decline in September, which was followed by a rise in October to the highest levels in history.

National spot television billings grew in each of the first three quarters of 1958, with the third quarter reaching record levels. National spot radio advertising volume fell during part of the recession but by a much smaller percentage than the major print media.

The print media, on the other hand, felt the recession severely—with magazines falling 16% in advertising volume; newspapers, 17%; and business papers, 12%. Only *network* radio volume followed the print media pattern.

With the rise in the economy in 1959 that is now clearly foreseen, national advertising undoubtedly will again increase, as it has done consistently throughout the postwar period. We are now expecting a rise of at least 4% in total advertising in 1959, with the increase in national advertising probably exceeding this figure by a substantial margin. Indeed, the latest reports at the time of this writing (covering October, 1958) indicate that national advertising has already recovered to the highest levels in 1958.

The major doubtful element for 1959 is reflected in the informed estimates that the printed media have only a 50-50 chance of recovering their 1957 positions.

The increases in national television advertising, however, will exceed by significant margins the expected increase in overall national advertising, the increase in both network and national spot television billings probably reaching 10%.

At CBS, national radio advertising volume in 1959 will resume its interrupted growth, with both national spot radio and network radio sharing in the gains.

LOUIS STEIN

President, Food Fair Stores, Inc.

The inherent vitality of the free enterprise system was never more convincingly demonstrated than by the retail food industry during the past year, and perhaps none now affords greater promise for the year ahead.

Louis Stein

As in the set-backs in our domestic economy in 1949 and 1954, this industry once again exhibited its apparently irrepressible vitality even when the general industrial recession reached its low point. As a result, retail food sales for 1958 should aggregate nearly $50 billion, up from $47.7 billion the previous year. This is the largest ever, and even though retail prices of some basic foods may be lower than in 1958, a further rise in the total sales volume seems assured for 1959, particularly with continued improvement forecast in the economy. That supermarkets will continue to account for an increasing share of the total is certain. The retail food industry's outlook is brightened by our rising population and by the indicated further expansion of our economy. Births and immigration will swell our population in 1959 by close to 3,000,000 net. Rising automobile sales, continuing gains in housing starts, huge defense outlays, and the current spread of recuperative forces to the machinery and other capital goods fields assure increased industrial production and factory payrolls. It is apparent that the rise in consumer incomes, achieved in recent months, will continue into 1959, enhancing consumer purchasing power. With consumers spending about 22% of total disposable income on foods, an increase in retail food sales in general is to be expected.

This prospect indicates the fine opportunities to be afforded supermarket operators during the year ahead. But to the alert supermarket merchandiser it constitutes a serious challenge, also. The challenge lies in the vital necessity of preserving for the American housewife the great advantages inherent in sound supermarket operation. If these advantages are to be maintained the constant goal of every supermarket operator must be the utmost efficiency in every segment of the business. This means holding the line on profit margins in the face of rising operating costs.

The diligence with which Food Fair Stores, Inc. has stressed these critically important factors has been contributing to the Company's uninterrupted growth. As the year closed, there were 380 supermarkets in the Food Fair chain which extends over a nine-state area from Connecticut to Florida, inclusively. The company's pace of expansion in closing months of the year was stepped up to an average of one new market per week.

Since April 26, the start of its current fiscal year, Food Fair completed and opened 34 supermarkets under its construction program, with an additional 12 or so to be opened by next April. This compares with a total of 34 opened in the 1957 fiscal year.

Thirty-one markets are now under construction or about to go into construction, and many other units are in the blueprint stage.

The company's sales and earnings in fiscal 1958 were the largest in the company's history. Food Fair sales are now running at an annual rate of approximately $800 million.

ROBERT S. STEVENSON

President, Allis-Chalmers Manufacturing Company

Our sales for 1958 will probably be a little below those of 1957 although the profit margin should be better.

In the last six months of the year, sales improved, however, they did not quite reach the level to overcome the slow start earlier in the year.

Robert S. Stevenson

Almost all of our lines except farm equipment and power generating equipment were affected by the economic downturn earlier in the year. Shipments of heavy electrical equipment held fairly steady and farm machinery sales were well ahead of a year ago.

In farm machinery, the ending of the drought in the southwest and the record wheat harvest were two big factors that contributed to making farm implement sales eminently satisfactory.

Better crops in the southwest and midwest along with better markets meant increased income for farmers, enabling them to buy more farm equipment. The fact that the trend toward increasing mechanization by farmers is sure to continue should make 1959 a good year for farm equipment, too.

In the power business, generating equipment held up fairly well while other electrical equipment reflected the drop that came from inventory reductions.

Modernization and expansion moves contemplated in the power industry during 1959 and the immediate years ahead indicate that a steady increase in power generating equipment bookings can be expected. While our shipments and large unit construction reached an all-time high for power generating equipment in 1958, backlog lagged slightly from the previous year.

Transmission and distribution equipment need is expected to follow the general pattern set by power generating machinery. As modernization and expansion of basic facilities takes hold in 1959, transmission equipment must be added or replaced. With a brightened home and industrial construction picture ahead, transmission and distribution equipment will be required to meet a rise in power demands.

Construction machinery sales which hit a low in 1957 continued this trend in the early part of last year. However, in the last quarter of 1958 the effects of the new highway program on the construction machinery business began to become evident.

Activities of our International Division followed the general trend of the United States world trade with the sales volume off slightly from 1957.

Several factors accounted for this result. First, the slowdown of business in the United States early in 1958 was felt abroad. Second, the political unrest in certain foreign countries reduced the trade in those areas. Third, competition became greater with other nations which have been increasing their own manufacturing facilities.

Another major factor was the dollar shortage in foreign countries, which to a certain extent resulted from reduced purchases abroad of raw materials for the economy of the United States.

Present business indicators lead us to believe that the Gross National Product in the United States will continue its current upward trend and that we should be heading for a cycle of steady growth generally.

We feel that in 1959 farm equipment, power and industrial sales should be good and construction and construction machinery sales should continue to improve.

ROBERT E. STRAUS

President, American National Bank & Trust Co. of Chicago, Chicago, Ill.

The outlook for banking depends upon developments in our economy. Several statistical series have, over a long period of time, successfully forecast the trend in general business activity. Their current behavior suggests that the course of overall business in coming months will be an upward one. Areas of present or potential strength in 1959 include such important segments of the economy as private construction, government spending, business inventories, and consumer spending.

According to recent forecasts by government agencies, private construction will rise again in 1959, with the principal strength coming in residential construction. In the area of business spending for plants and equipment, the latest SEC-Department of Commerce Survey indicated that a low point was witnessed in the third quarter of 1958. However, in view of the excess capacity apparent in a number of basic industries, only modest improvement is expected in capital spending in 1959.

Federal spending will likely run higher in 1959 because of stepped up defense expenditures and other non-defense programs such as price support operations resulting from bumper crops, an expansion of public works, higher government salaries, bigger housing programs, the atomic energy program, Federal aid to education and other anti-recession measures. State and local government spending will surely increase, judging from the record number of bond issues approved in the November elections.

As in the previous postwar recessions in 1949 and 1954, the 1958 recession featured a sharp reduction in business inventories. Latest available figures show that inventory liquidation was continuing in October but at a declining rate. It appears reasonable to expect an early reversal of trend, with accumulation becoming a positive force in the economy in 1959.

Disposable personal income was maintained at a relatively high level in 1958 and will reflect the upward business trend and higher wage rates in 1959. Recent strength in retail sales suggests rising confidence on the part of consumers. The exact pattern of consumers markets in 1959 will depend to a considerable extent upon the success of automobile sales.

The banking industry is, therefore, likely to face a rising demand for both business and consumer loans, indicating further upward pressure on short term interest rates. The ability of banks to invest at higher yields should provide an offset to rising operating costs.

CHARLES M. STURKEY

President, Washington Natural Gas Company

Springboard from the "flying fifties" to the "soaring sixties"—that's the way Washington Natural Gas Company officials view the Northwest natural gas growth potentials for 1959.

Charles M. Sturkey

The dynamic growth of Washington Natural Gas Co. is best indicated by the following figures: In July 1956, customers totaled 44,757 of which 36,070 were residential and 8,657 commercial and firm-use industrial. Nov. 30, 1958 there was a total of 60,299 customers, of which 47,827 were residential and 12,366 were commercial and firm industrial.

In a single day in 1958 the Scott Paper Co. of Everett used more natural gas than the entire peak-day output of the old Seattle Gas Co. in 1955. Residential use is three times greater than in 1955.

Two vital factors, Boeing and new residential-industrial construction, have contributed immeasurably to a record 1958 sales, bolstering public confidence and encouraging commercial and consumer investment.

Boeing Airplane Co.'s employment reached a record 70,000 in Washington State this year. This is 1% above the previous 1957 high and 48% above World War II peaks. The energetic Boeing management team, with a reported backlog of $3 billion in orders for commercial and military aircraft, is ably bridging the gap in transition from the military emphasis on aircraft to more sophisticated weapons systems—for example the Minuteman second-generation intercontinental ballistics missile and the Dyna-Soar boost-glide vehicles now under Boeing-assisted development. Boeing is an important natural gas customer.

New construction, residential and industrial, has contributed materially to 1958 natural gas gains in the Northwest. Secondary gains are being felt in other major

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Northwest industries, such as lumber and plywoods plants, both big natural gas customers.

The company takes equal satisfaction in the reception natural gas has been given for heating low-cost housing projects in the area. In Seattle the housing projects, with 254 and 596 units, have already been converted to gas and the large 1,250-unit High Point Project is in the process of conversion. Other projects in Tacoma, Auburn and Everett add to the low-cost housing units converted.

Community builders in large residential tracts on Seattle's outskirts are using gas wherever it is available. Some have reached the 100% mark while others average closer to 90% gas unit sales.

The increasing public attention and publicity surround "smog" has been instrumental, along with economical considerations, in converting the majority of Seattle hospitals to gas heat. The City of Seattle's asphalt plant has been converted to use natural gas and the elimination of smoke and soot and air pollution was one of the principal factors in the city's decision.

Washington Natural plans to invest some $5,500,000 in 1959 for construction. The company had a total plant investment of $20,700,000 in 1955, preceding the introduction of natural gas. Investment will exceed $28,000,000 at the end of 1958. Nearly $21,000,000 has been spent since 1954 to improve and enlarge the company's system to better serve the public.

The Northwest — Gateway to the 49th State

Historically, Alaska has played a part in Seattle and Northwest growth. The addition of the 49th State has resulted in unprecedented publicity and a new national awareness of the proximity of this great area, rich in natural resources. Washington Natural's five counties, containing more than half of the state's population, surrounds the "Gateway to Alaska," stand to gain additional tourist dollars as well as increased industrial interest with the added exploitation of the new state's rich natural resources.

The management of Washington Natural is optimistic about the future, based upon the performance of the past two years. The average natural gas heating customer paid $138 in 1958 compared to the same customer who paid $233 in 1955 while using manufactured gas. A similar pattern of saving is revealed in the indsutrial field where company statisticians estimate the 106 industrial firms now using natural gas are saving more than $2,000,000 annually over their previous fuel costs.

National factors such as Whirlpool's acquisition of Servel has resulted in an increased tempo of modern merchandising methods in gas appliance sales. The additional emphasis on gas refrigerators, dryers, and other gas appliances may be expected to increase consumer demand for natural gas in the Northwest. The metamorphis of the gas industry born in the antiquity of the blacksmith and foundry school to the more sophisticated world of molecules, satellites and super market merchandising will be apparent in 1959.

In a vigorous western economy, where expanding populations, high employment and new construction are making their stabilizing influence felt—1959 is truly the rising springboard to the "soaring sixties." We expect to make substantial long-term business gains during this coming year.

HENDERSON SUPPLEE, JR.

President, The Atlantic Refining Company

The 1958 recession with its lower level of industrial activity, a poor record of automobile sales, and a decline in housing starts during the early months contributed to a disappointing year for the oil industry. Demand for petroleum products in the United States increased only 2.3% over 1957 as against an annual average increase of about 5.5% during the prior five year period. Furthermore, export sales returned to normal, about half their rate a year earlier when United States oil replaced Middle East supplies lost to Europe while the Suez Canal was closed. As a net result, the 9.3 million barrels of oil per day supplied by the United States oil industry in 1958 represented a decline of about 1% from the previous year.

H. Supplee, Jr.

The need to work off surplus inventories of both crude oil and products resulted in further curtailment of industry operation, with crude oil production declining nearly 7% from the year before, and refinery operations off more than 4%. This excess supply and idle capacity drove prices sharply downward during the year. For example, cargo prices at the Gulf Coast, the industry's leading bulk market, averaged 9% less than in 1957.

The outlook for 1959, however, is considerably brighter. With the expected continued improvement in the general economy, demand for petroleum should show a gain of nearly 5% over 1958 provided temperatures during the heating season are not abnormal. To meet this demand, refinery output will need to be increased nearly 6% and the production of domestic crude oil almost 7%. The influence of this demand may also advance product prices to more normal levels, though it is doubtful that 1957 price levels will be regained.

Capital expenditures by the oil industry dropped substantially in 1958. This was caused in part by sharply declined earnings which made necessary the deferral of some capital projects. For example, total expenditures by The Atlantic Refining Company in 1957 amounted to $120 million as against about $90 million in 1958. To a large degree this reduction was also the natural aftermath of very high capital spending during the previous several years. With the more encouraging outlook for petroleum demand in 1959 we can expect capital spending to pick up moderately once again.

An important issue which clouds the 1959 horizon for some of the major oil companies along the East Coast, including Atlantic, is the question of imports of foreign crude oil. For many years these particular companies have engaged in intensive programs of searching for and developing new sources of foreign crude. Huge investments have been expended in these foreign crude production efforts — fleets of supertankers have been built to provide economical transportation of the crude on long ocean hauls—and much of the equipment in our refineries has been designed to process the special types of crude oil available in quantity only from abroad.

It is obvious, therefore, that continued access to foreign supplies is vital to provide a fair return on these investments and, in turn, assure low consumer prices for oil products in our marketing area. For this reason Atlantic and other oil companies similarly situated in the Delaware Valley area were deeply concerned when the Federal Government proposed to revise the crude oil import formula by a provision that would redirect foreign oil from the refineries here to other areas where domestic crude is more economically available.

The Government has decreed that a limitation on crude oil imports is needed in the interest of national defense. We do not wish to dispute this. We do firmly maintain, however, that such crude as may be imported in the national interest should be delivered to the areas where the crude has been used historically, where important sums have been invested for facilities to transport and process this crude and to assure access to reserves abroad, and where the use of foreign oil can provide consumers with the greatest saving. We believe that the unique role of these companies in the Delaware Valley should receive recognition when import quotas are assigned.

NORMAN R. SUTHERLAND

President, Pacific Gas and Electric Company

Our service territory in Northern and Central California is expected to have a population increase of about 215,000 during 1959, bringing the total to an estimated 6,525,000. This will mean thousands of new customers and continually enlarging industrial and residential demands. Therefore we are gearing our organization to meet the substantial sales increases which we expect.

N. R. Sutherland

The impact of the business recession on the company's business in 1958 was relatively mild. For example, industrial power sales for the year increased about 5%, and in no single month during the year did sales to this class of customer fall below the corresponding month of the previous year.

During 1958 we spent $186 million on expansion. We have budgeted $156 million for enlargements in the the coming year. In 1958 we established a company record for new electric generating capacity installed, adding 685,500 kilowatts to put our present total at 5,219,000 kilowatts, largest of any investor-owned company in the nation. We anticipate the need for 10 million kilowatts by 1970, and corresponding increases are in prospect for our natural gas system which already has peaked its daily deliveries at more than 1,800 million cubic feet.

Several technological advances have created much interest in our company. Following the initial operation in late 1957 of the world's first all-privately-financed nuclear power plant at Vallecitos, built in conjunction with General Electric, we announced last February a plan for completion by mid-1862 of an economically feasible nuclear power plant. To be entirely financed by PG&E, this will produce 60,000 kilowatts of energy at costs competitive in the Humboldt County area where it will be constructed. The groundbreaking is scheduled for 1960.

We will break ground this year for a 12,500-kw. geothermal plant, using the steam from natural geysers to spin a turbine-generator. Additional units will be installed if more steam wells are developed.

High in the Sierra Nevada, we have begun operation of America's first major underground power plant, a hydro-electric installation with 128,000 kw. capacity. This plant is situated 2,000 feet back and 500 feet down in a solid granite mountain and was built there purely for reasons of economy in construction and operation.

While the power field attracts major attention, we are continuing to record impressive advances in our natural gas operations. Of prime interest here is our project to import more than 400 million c.f. daily from the Province of Alberta, Canada, to the California market. This will require a 1,300-mile pipeline, and we have filed applications for governmental authorizations in Ottawa, Calgary and Washington, D. C.

This line would provide a new source of natural gas for our customers. Since 1950, we have depended on Texas and New Mexico fields to augment supplies from California wells.

We look forward to a busy year not only in meeting our day-to-day growth but in planning for the future.

JAMES M. SYMES

President, The Pennsylvania Railroad Company

The year 1959 can be one of great progress toward putting the transportation industry as a whole on a self-supporting and prosperous basis. The tangible results of such progress, however, will be more visible in future years than in the calendar year of 1959. Roads like the Pennsylvania which render a large share of the industry's money-losing passenger and commuter services and compete most directly with publicly supported air, waterway, and highway transport at best can hope to do little better than earn a small return on their investment even with the expected pick-up in freight volume.

James M. Symes

A good start was made toward putting the industry on a more sound basis by the enactment of the Transportation Act of 1958 and by Senate Resolution 303, which accompanied it. The Act, which was overdue by some 25 years, to some extent unlocks the door to equalization of government regulation and treatment of transport; the resolution commits Congress to a full and frank examination of the whole transport picture, with a view to analyzing and correcting the more glaring and harassing inequities. To the extent this is done, and done quickly, the public and the economy will thereafter have the benefit of a truly competitive transport system, and the railroads, admitted as full and equal members of the system, will be able to do the job they should be doing for the public, the shipper, the traveling public, the furloughed railroad employee, the railroad supply industry, the general economy, and the stockholders.

A railroad like the Pennsylvania has two major assignments for 1959. One is the immediate business task of maintaining quality of service and earning what return it can in the present situation. The other is to continue to work toward the removal of inequities, for the public's benefit and its own corporate health. Any less frank concept of the year ahead would not be realistic.

GLENN W. THOMPSON

President and Chairman of the Board, Arvin Industries, Inc.

There's a spirit of optimism about business prospects for 1959 which was absent a year ago. Most business leaders, having learned some important lessons during the recession, now have their houses in order. They're determined to make up for some of the ground which was lost in 1958. In the past 12 months they've reduced break-even points and discovered anew that expenses can be cut, and drastically, when that becomes an absolute necessity. Above all else, they've conditioned their thinking to the fact that the new year will be one of keen competition from January through December.

Glenn W. Thompson

Nineteen fifty-eight offered an excellent opportunity for future planning and in the well operated company that encompassed every division and department of the business. New products were developed through research, new manufacturing methods were devised to cut plant operating costs and improve quality, and new techniques in marketing were tested and proved out. It is our observation that not since 1954 have so many industrial concerns been as well prepared to design, produce, and sell their products as they are at the beginning of 1959.

Of course, the skies are not without some clouds. Actually they're to be expected and the businessman who does not prepare for them is most likely to be surprised sometime during the year. The cost-price squeeze about which so much has been said and written will remain throughout the new year. And, as usual, there's the apprehension about what laws Congress and the various legislatures may see fit to enact. Too, the possibility of big strikes in basic industries such as steel must be considered in making any realistic appraisal of the prospects for the coming year. Finally, some firms must work out solutions to problems presented by foreign imports. Somehow or other the American businessman will successfully meet these challenges. He always has met challenges and let us hope he always will.

Historically more than 50% of Arvin's volume comes from the sale of parts and equipment to principal motor car manufacturers of the nation. The drastic decrease in the demand for passenger cars in 1958 affected our volume and profits. However, with estimates that some 25% more automobiles will be built and sold in the next 12 months, our prospects in this area are much brighter. Any upturn in the replacement parts business of the automobile manufacturers also will affect favorably Arvin's position. In the meantime, our Automotive Division has established a new department for producing plastic tools for use in our own plants and by other manufacturers. Further expansion of this division into an entirely new field is planned during the first half of 1959.

In our Consumer Products Division we manufacture radios, portable phonographs, electric heaters, electric fans, heaters for automobiles, leisure type furniture of

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Don't Force American Labor To Start a Political Party

all right to give subsidies to the airlines through postal grants, so that we could develop a domestic airline system which would help the American airplane industry move forward as a national defense measure.

That was all right. And, it's all right to give subsidies to the cotton farmers, millions of dollars. It's all right for someone to buy an abandoned lead mine in Colorado and then get $3,500,000 from the government to reactivate it so he could bring lead out and sell it to the government. That's not socialistic, that is not the socialistic expenditure of public money.

But when you try to give a child a pint of milk in school every day in a situation when the child does not get proper nutrition at home, that, too, becomes socialistic.

Well, for my part, if what we have been doing is socialistic, then I am going right on being socialistic.

Current Labor Problems

We have some problems that relate directly to labor. We have the question of the passage of the Kennedy-Ives bill or similar legislation in order to enable labor to help protect itself from racketeers and those who would misuse their trust and misuse the funds entrusted to their care.

We have the whole question of Taft-Hartley, the question of amending the Taft-Hartley Act so that we know what a boycott is, so we know what a secondary boycott is, and we know what is a legitimate action on the part of labor to defend itself.

Yes, also to amend Taft-Hartley so that we can eliminate the possibility of situations arising such as took place in the O'Sullivan Rubber Heel factory in Virginia not so long ago, where the workers went on strike, strikebreakers were hired, and after the strikebreakers were hired a decertification election was held, and the union received no votes because the union members could not vote. They were disenfranchised under the terms of the Taft-Hartley Act.

This is the particular section of the law which President Eisenhower, at that time a candidate for President, in 1952, right in this city, in September of that year, pledged that he would try to eliminate. This is the section of the law that bars the economic striker from voting in an election after a strike takes place. This section is still in the Act.

There is also Section 14(b), the section which allows the states to pass right-to-work laws and go further than the Federal Government on the question of union security. In addition, there is still a fight on right-to-work laws. We have 19 states now with right-to-work laws. We have a few in which we think we can bring about repeal, and that is still one of our problems.

Evolution Into Political Activity

Talking about legislation, talking about right-to-work, naturally brings us up to the question of political action. We have heard some real screams, these last few weeks, from some of our friends in big business and some of our little politicians in big positions, real screams about labor actions.

Well, I don't think anyone should misunderstand labor's political policy or labor's political philosophy. I, for one, would like it much better if we didn't even have to talk about politics. I would like it much better if we could just talk about our relations with the employer, about the problems of our workers on the job, about the problems of our workers in the community. It would be much nicer.

For a long time a good many people in the trade union movement, the majority of our people, let us say, in the trade union movement, felt that we didn't have to talk about politics. We had a policy, a very practical policy, that you would try to elect people who were friendly to you and try to defeat those who didn't believe in the things in which you believed. And as far as we were concerned—I speak now of the AFL in particular—we discharged our obligation on that policy by writing a letter to the people who we were friendly with early in the campaign and telling them that they had been endorsed, and that was the limit of our political activity.

However, in 1947 we were given a lesson. After having come through the greatest war in history, after having made a contribution second to none in producing and out-producing the Axis powers, and making a contribution that could not be over-exaggerated, to the eventual victory of the allies, we had a Congress come in which decided that this was the time to crack-down on labor. And they passed Taft-Hartley.

When they passed it, we didn't have any trouble knowing why, they had the votes and we didn't. So there was a re-evaluation, let us say, of labor's political role. And for ten years now we have been active in the political field. We dropped the philosophy, or the policy, let us say, of sending merely a letter, and decided that we had to go out and work at the precinct level, work at the local union level to bring about a better situation in the legislative halls in Washington and in the various states of the nation.

The recent campaign indicates that we are becoming more and more proficient in the field of politics. Frankly, if labor ever became really class-conscious in this country, to the point where we really dedicated ourselves to the political field, we would hold the balance of power without question.

The recent campaign proves this beyond question to me, because here we found out that labor cannot only get the votes of its own people, but that when labor has a story and is on the right path, it can attract, without question, the majority of votes of its neighbors.

In California, where the right-to-work proposition was defeated by approximately 1,000,000 votes—labor was victorious on that question which was on the ballot in 55 of the 58 counties in the state of California.

Now, that means that labor was victorious in the rural communities, in the farming communities, in every single county except three in the entire state. And that proves that if labor is put to it in the political field, that they can be just as efficient, if not more efficient, than perhaps those who have dedicated their lives to the study of politics, because we have certain natural advantages in this field that even the political parties themselves do not have.

Business Is in Politics

Now we are getting the screams of big business. The representative of the NAM is going around the country — he is from New York here—a little man with a big title and a lot of money that he inherited—and he is telling business they must get into politics.

Of course the premise here is that the businessman has not been in politics. Well, we know he has been in politics. And my advice to the business community—and this is sincere advice—is that if they want to be successful politically, to whatever extent they are able to be successful, they had better follow the old method, send their money in and stay the hell out themselves.

Because that is the method they have been following for years, that is the method which we have had to meet. You see they have money, but we have people. And in a contest between money and people there is no doubt about the result. We represent hundreds of thousands of workers, and if the contest were between money and people—and that's what it was—over the years the trade union movement would have been destroyed many, many years ago.

Also we have the screams of some of the big politicians. The Postmaster General, a little ward heeler from Detroit—he is going to crack down on us. He is screaming, some of his friends got defeated, and they blame it on right-to-work. They wouldn't have been defeated if there had not been a right-to-work campaign.

Well, who started the right-to-work campaign? We didn't. It's the same friends of his who were defeated.

So as far as I am concerned big business, and little people in big political office, can continue to scream. As far as I am concerned, labor is going to continue to fight for a better America. That is the best possible defense for the United States in this so-called economic war with the forces of dictatorship, and a better America means that you approach your problems and make your decisions on the basis of human values involved.

Yes, we are going to continue to try to raise standards, we are going to continue to try to get a fair share of the wealth that we help to produce under this American system We are going to continue to try to see that our children get better schools and better homes in which to live, and we are going to continue to try to see that all Americans, regardless of race or color of their skin, are treated as equal under this country's laws.

These are the ways that you make democracy work, and by making democracy work you meet the challenge of dictatorship no matter where it comes from.

Threat to Form Political Party

So, to our friends who are worrying about labor's political activities, I say labor is going to be just as political as it has to be in order to carry out its objectives. If what we have in COPE isn't good enough, if we have got to go further in order to carry out the simple objective of advancing the standards of life and of work of the people we represent, of making America a better place in which to live, in making America better fitted to stand up for democracy as the leader of the free world, if we have got to do that, we will take the next step, if it is forced on us.

I have always said that we didn't need our own political party—I still say so. But I also say that if we come to that point in order to combat these people who want to drag us back into the past, we will start a political party, and we will do a good job of it.

Two With Wm. R. Staats

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Richard L. Daugherty and G. Curtiss Murrell are now associated with William R. Staats & Co., 640 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Daugherty was previously with Daniel Reeves & Co. Mr. Murrell was with Dean Witter & Co.

Morton Globus to Be Sutro Bros. Partner

Morton Globus on Feb. 1 will become a partner in Sutro Bros.

Morton Globus

& Co., 120 Broadway, New York City, members of the New York Stock Exchange. Mr. Globus, prior to joining Sutro Bros. & Co., was with Dreyfus & Co.

New Waukesha Branch

WAUKESHA, Wis.—The Milwaukee Company, underwriters and distributors of investment securities, will open a new branch office at 744 North Grand Avenue, Jan. 15, 1959, it was announced by Joseph T. Johnson, President.

Resident Manager of the Waukesha office will be Robert S. Johnson, of Menomonee Falls. Franklin E. Parks will serve as a registered representative.

A. V. Stout Pres. Of National Shares

A Varick Stout has been elected President of National Shares Corporation, a closed-end investment company managed by Dominick & Dominick, it has been announced.

Mr. Stout, senior partner of Dominick & Dominick, succeeds Ronald H. Macdonald of the same firm, who has been President of the corporation since 1952. Mr. Stout is a director of National Distillers & Chemical Corporation, C. H. Sprague & Son Co. and the North British Insurance Group.

Hollis K. Thayer was elected a director of the Corporation to replace Mr. Macdonald.

Joins Eaton & Howard

LOS ANGELES, Calif.—Dwight P. Phillips, Long Beach, Calif., has become associated with Eaton & Howard, Incorporated, Boston Investment Counsel firm. For the past two years he has been an Account Advisor with Dean Witter & Company. He will represent Eaton & Howard in the Los Angeles area.

Hawkes Co. to Admit

Hawkes & Co., 30 Broad Street, New York City, members of the New York Stock Exchange, on Feb. 1 will admit Lucy S. Ulman to limited partnership.

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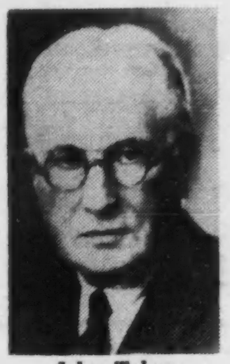
aluminum and steel, outdoor barbecue grills, and all-metal ironing tables. A number of new items, some unique in appearance and function, will be introduced during the year. In addition, our company will bring out a completely new line of merchandise in the architectural products field during the second quarter. Arvin already has one product in this area, this being a wall panel made of vinyl-on-metal laminate which after extensive use and marketing tests is now ready for manufacture. Other items in the architectural products field are now under consideration. In the meantime enlargement of the department which fabricates for other manufacturers vinyl-clad cases for television sets, radios, slide projectors, and similar products is under way.

New products, improved manufacturing methods, lowered cost structures, and adherence to more scientific marketing procedures are some of the things on which Arvin is relying for improved business in 1959.

HON. JOHN TABER

U. S. Congressman (R.) from New York

For my own part, I believe that we should firmly support the efforts that the President is making to avoid any further inflation. To do this, we must avoid unnecessary appropriations and in this connection, we must cut down on the frills and fancy ideas for construction of public buildings, and stick to just what is needed.



John Taber

We must examine closely our demands for buildings and see that the unnecessary things and their proposed construction are eliminated.

We must provide the military establishment with what is needed for national defense, and, at the same time, not give them things that are obsolete and can never be used.

We should pass some labor legislation which would tend to do away with the abuses which were developed before the McClellan Committee.

It is impossible to avoid inflation if we are going to embark on new programs for housing, so-called slum clearance and community facilities. These public housing and slum clearance projects cost an enormous sum of money, and the approach to provide funds for them is not one that is designed to cull out unnecessary activities. These projects are designed to give special privileges to certain groups of people and they are now at the point where people earning as much as $8,000 to $10,000 a year can qualify as tenants for these public housing projects. I do not believe there is any reason in the approach that is made to them.

We must be very careful to see that such items as foreign relief are carefully analyzed and no more funds provided than are absolutely necessary and than can be had without unbalancing our budget. I do wish that we could get along without as many really necessary things as we seem to have to face, but we can only provide those things if we avoid the unnecessary things, and the things that are a menace to our general picture.

E. J. THOMAS

Chairman of Board and Chief Executive Officer Goodyear Tire & Rubber Co.

In light of forecasts that in 1959 the rubber industry will have the highest dollar volume of sales in history, our company is planning a capital expenditure of $70,000,000 for 1959, $10,000,000 more than was spent in 1958. This increased planned expenditure is evidence of our faith in the sound recovery of business in 1959. We believe that the part of our industry which was hit the hardest this year—the sale of tires and other rubber products to the automobile, truck and tractor manufacturers — will show considerable improvement. We believe they are going to need 25% to 30% more of these products in 1959."

E. J. Thomas

Goodyear has recalled 60% of its laid-off workers and the working hours per week are now back to full five and six days. Industry inventories of raw materials and finished goods have reached their low point and are now on the rise.

No big rise in prices is anticipated in 1959, although prices for some of the industry's products did erode too much in the recession period and need to be improved.

Another important factor in the rubber industry is that of the total rubber now being consumed, close to 65% is made of various synthetics, an indication of the wide improvement and development that has been made in this field.

We believe renewal passenger tire sales will reach 62,000,000 units, an increase of nearly 2,000,000 over 1958's final figure.

For the industry as a whole, estimates for 1959 pneumatic tire production (including industrial pneumatics) are for at least 112,000,000 units versus 102,000,000 for 1958, and a total rubber consumption of 1,500,000 tons versus 1,345,000 tons this year.

Finally, while business continued to improve in both the third and fourth quarters, it isn't likely that 1958 will quite match the company's 1957 peak sales.

JOHN K. THOMPSON

Chairman of the Board, Union Commerce Bank, Cleveland, Ohio

From an economic standpoint we had a little bit of everything in 1958. We had a reduction in gross national product from an annual basis of 445 billion in the third quarter of 1957 to 425 billion in the first quarter of 1958, then to a 429 billion annual basis in the second quarter, 439 billion in the third quarter, and the fourth quarter of 1958 will probably show a figure higher than in any previous quarter both in volume and in dollars.

J. K. Thompson

The principal reasons for the changes in the various quarters were liquidation of inventories, reduction in plant and equipment expenditures, and reduction in number of housing starts. It appears now that the inventory situation is approximately in balance and that there will be some inventory accumulation in increasing amount during each quarter in 1959. Expenditures for new plant and equipment in 1959 will probably not exceed such expenditures in 1958, but there has already been considerable increase in the number of housing starts and they may total 1,200,000 in 1959.

Corporate profits for the year 1958 will probably be 20% below 1957, and it is unlikely that 1959 corporate profits will equal those of 1957 even though they should be well ahead of those for 1958. I would expect that the first half of 1959 would record slight advances over the present business rate, but that the last half of the year would build into a gross national product rate in dollars of as much as 8% higher than the record gross national product reached in the third quarter in 1957.

The economic changes in 1958 resulted in very definite effects in the money market situation; for example, the average rate on three-month Treasury Bills in December 1957 was a 3.102% basis. This rate declined to an average in June 1958 of .881%, and now is again at approximately a 2.90% basis. Because of the change in the business situation in the early part of 1958 the Federal Reserve Board reduced the banks' reserve requirements, and there were several reductions made in the discount rates at the Federal Reserve Banks. Because of lessened loan demand, there were also reductions made in the banks' lending rates early in 1958, a part of which have now been restored.

With an increased volume of business, there will be an increased use of dollars and need for them, and it would appear, therefore, that there would be an increase in loan demand in 1959, and that there would be a further increase in interest rates.

Government, corporations and individuals should concern themselves in 1959 with inflationary implications of their actions.

NORMAN TISHMAN

President, Tishman Realty & Construction Co., Inc.

The upturn in business confidence, which began several months ago, should be reflected in a firmer demand in 1959 for new office space for expansion purposes.

Real estate characteristically follows the business trend in general, a trend which is normally upward but which was altered temporarily by the recession of 1958.

Norman Tishman

At the beginning of the year, the management of our larger corporations were manifesting a "wait and see" attitude, anticipating that the economy would turn the corner by Spring or Summer.

Now that we have actually turned the corner, the renewed business optimism across the country has begun to make itself felt.

As an example, decisions for large space commitments which have been postponed, were put into effect as the trend once more became favorable. A growing number of corporations which have deferred their strong need for new or additional facilities began to demonstrate new confidence in the economic strength of the nation and in their own future.

The belief on the part of some that the supply of new office space is beginning to overrun the demand is unwarranted. Throughout the first postwar decade, fears of reckless office expansion have proved groundless.

Actually, new office construction has only been keeping pace with the demand of our expanding economy. This is another indication that the balance between supply and demand is in no way being disturbed.

Furthermore, there is evidence that our economy will continue to expand at a strong rate and that additional office space will be required in order to keep pace with this expansion.

With business confidence again high, 1959 should be a bright year for real estate and construction.

MILTON TOOTLE

President, The Tootle National Bank, St. Joseph, Mo.

The trade area of St. Joseph, Mo., particularly in the banking field, covers a substantial part of Kansas, Nebraska, Southwest Iowa and Northwest Missouri. Agriculture is our main industry. We have experienced a very successful year in 1958 and the outlook for 1959, while encouraging, in our opinion probably will not be as good as in 1958, for the following reasons:

Milton Tootle

Farmer and livestock grower profits in 1958 were very good, due to rising prices for dressed meat and plentiful, cheap feed. There will be an abundance of livestock feed carried over into 1959. However, the corn-hog cycle is in full swing. Cheap feed has encouraged larger pig crops and increased pork supplies are coming onto the market causing lower prices, which are expected to drop farther next year.

Developments in the cattle market are somewhat different. Feeder cattle have gone to the farms at prices where profits will be hard to realize—even if markets hold firm, and a drop in slaughter prices could wipe out any profit. The uncertainties in the livestock picture are causing us some concern, particularly in the latter part of 1959.

WALTER J. TUOHY

President, Chesapeake and Ohio Railway

To report on a good year for the Chesapeake and Ohio—at the outset of a year that promises to be even better—is a pleasure.

The year just ended produced the fourth best net income in C&O history. Net income in 1958 was $52 million equal to $6.36 a common share compared with the all-time record of $68 million or $8.36 a common share in 1957.

Walter J. Tuohy

In 1958 business generally was down somewhat from the peak levels of preceding years. C&O traffic and earnings were off, too. Net income, however, was almost equal to the average of the previous five years—the best earnings period C&O has experienced.

And at the year end, traffic and earnings were moving upward encouragingly.

In 1958, national production of bituminous coal was down about 90 million tons from 1957's 490 million. Export coal was off as a result of business and seasonal conditions in Western Europe. C&O's coal and coke revenues still compared favorably with the average revenues of the last ten years. Once again, the coal C&O moved from mines on its lines was one-eighth of national bituminous output, and the railroad held its position as the foremost coal carrier.

Merchandise freight revenues, lower by $17 million than in 1957, reflected the pace of business. New sources of C&O traffic continued to develop: a diversified group of industries chose locations in C&O territory for 90 new plants, expected to produce $4 million more in annual revenues.

Capital expenditures were about $21 million, compared with $88 million the year before. With more than $700 million—almost three-quarters of the capitalization of this billion-dollar railroad—spent for additions and improvements since 1945, another major phase of C&O's expansion has been accomplished. At 1958's end, working capital was about $55 million, compared with $44 million a year ago.

Chesapeake and Ohio ended 1958 in sound physical condition. Moreover, some important projects, necessary to assure future ability to serve customers and increase earning power, were progressed.

A $7 million facility for loading coal from rail cars into ships was placed in service at C&O's Lake Erie docks near Toledo. Electronic traffic direction systems were extended to additional areas of C&O's main lines. Five hundred new coal and merchandise cars were added to the company's fleet.

In the new year, C&O looks for a substantial movement of coal. The National Coal Association foresees bituminous production up 13 per cent. Export coal traffic will not return immediately to its recent high levels, but all the prospects for Western Europe in the years ahead are for growth.

Just as C&O's future is tied to industrial expansion in this country, so is it tied to growth abroad. Recently a representative of a large investment fund said this: "I consider that we are participating in Western Europe's spectacular growth through our ownership in C&O."

C&O is going into 1959 on the way up. This rising trend, it is expected, will continue into coming months with heavier traffic and good earnings. The loyalty and effort of C&O's men and women form an indispensable part of this favorable outlook.

In this report a year ago it was stated, "We see nothing in 1958 that would disturb C&O's dividend rate of $1 a quarter, $4 a year." We are happy to repeat that statement for the year ahead.

L. TURCOTTE

President, Puget Sound Pulp & Timber Co.

The year 1956 established new records for Production and Consumption of woodpulp. Production for 1957 was approximately 3% below this record and indications are that Production and Consumption in 1958 will about equal the 1957 figures, both years still lagging below the 1956 record.

The outlook for 1959 is that a break-through of the 1956 record will take place perhaps by a low percentage figure indicating that volume of business will be satisfactory. There still will be over-capacity in the Industry for the full year of 1959 and running into 1960 which will make for a very competitive market. The woodpulp Industry is a natural growth Industry through increases in population, new developments for uses of products made from woodpulp, additional possible export fields and other factors.

With the factor of over-capacity present in the Industry, stability has been well maintained, indicating that responsible leadership is at the help in the woodpulp Industry and continuation of this stability is the most important problem facing the Industry for 1959.

Supply of raw materials for the Industry in the form of pulpwood, sawmill waste, etc. is in the best situation today than it has been for decades. Practically every specie of wood can be used today for the manufacture of woodpulp and this has resulted in many new areas becoming prospective sites for woodpulp production, so the outlook as to raw materials for the future is excellent and self-sufficiency is assured for the North American continent, with extra capacity and production of woodpulp available for export to all countries needing this product. Any upgrading of the standard of living in many foreign countries could make heavy demands on the woodpulp Industry of North America as many of these countries do not have the raw materials in the form of fibres to supply their requirements.

Summing up indications are for a new record of production and consumption for the woodpulp Industry in 1959 with the market remaining very competitive due to over-capacity. Earnings in the Industry for 1959 might be placed in the "satisfactory" column.

RALPH T. TYNER, JR.

Chairman of the Board
National Bank of Westchester, White Plains, N. Y.

1959 should be a good year in Westchester County. Economic recovery, not of boom proportion, should continue. The very fact that we have substantial improvement in our economy will create new tests for business.

Ralph T. Tyner, Jr.

The wage-cost spiral with its impact on profits could have an adverse effect. The prospect of higher personal income and improvement in employment augurs well for retail sales in Westchester. We hope for increases in homebuilding, particularly for people of modest incomes. At the present time plenty of mortgage money is available at current rates.

If all this comes true, it will be permanent only if we slow the process of inflation. America must put its finances in order. Budget deficits must be corrected by increased taxes. There is the alternative of decreasing expenditures, but our country has not demonstrated its ability or willingness to do this.

It is with confidence that we look forward to 1959. Nationally, it appears that the recovery in the business picture from the lows of last year is reaching a point where some leveling off may be expected for the early part of 1959 before any further forward movement occurs.

In recent months we have seen one of the sharpest recoveries in the business picture in history with both the Federal Reserve Index of Industrial Production and Gross National Product recovering from their declines in an amazingly short period of time.

In this same period, violent fluctuations in interest rates have taken place. During 1959, interest rates should continue firm, stabilizing at about present levels during the early part of the year and working higher as the demands from both industry and Government materialize.

It is probably that the government needs will be sizable both for refinancing present debt and for new cash requirements. This financing will keep pressure on interest rates as efforts will probably be made to lengthen the debt structure.

In the early part of 1958 it was expected industrial expansion plans would be somewhat curtailed in view of the substantial capacity created in the last few years. A recent survey now shows industry projecting its capital requirements for 1959 at about the same level as last year. In addition to the demand created by this capital expenditure program, any psychological change brought about by a further inflationary atmosphere could result in a concentrated effort to replenish and rebuild inventories in a short period of time resulting in a further demand for funds.

Housing starts have shown a steady increase during the last few months of 1958 and are expected to continue at about last year's level; however, there is a possibility that the tightness of money may curtail starts in 1959.

Notwithstanding the possibility of a slowdown in housing starts it is our feeling that demands from other areas should sustain a relatively high level fo interest rates for the year. Translating these factors into the outlook for 1959, we look forward with confidence to a continuing growth in our area and anticipate 1959 will surpass last year's results.

JAMES J. UPSON

President, The Upson Company

The marked improvement in general business conditions in recent months holds promise that 1959 will be a favorable year. The construction industry, in which Upson has a major interest, anticipates that a minimum of 1,200,000 residential units will be started in 1959.

James J. Upson

While 1958 got off to a slow start, the last half of the year was quite active in the conventional building and prefabrication markets and we are confident that the wallboard manufacturing company will start off with a good first period.

Our program of product diversification is beginning to pay off in increased sales. Several new products, including a combination sheathing-siding panel and a new improved primed siding, were put on the market recently and already account for a substantial boost in sales. Several new products are to be introduced early in 1959 and will add to the company's volume of business.

The company enters the new year with the utmost confidence in improved earnings because of the increased sales of such diversified products as laminated fibre wallboards, chemicals, waterproof coatings, industrial cut-outs, puzzles, fibreboard novelties and the development of products for special types of industrial and residential construction.

Our product development program will be accelerated in 1959 as well as its marketing and sales promotion program.

Increased sales have been demonstrated by the Industrial and Chemical Divisions and The Tuco Work Shops in recent months. We anticipate that the upswing in these divisions and subsidiaries as well as domestic and export sales will enable the company to maintain reasonable earnings throughout 1959.

GOULD W. VAN DERZEE

Chairman of the Board, Wisconsin Electric Power Co.

Despite some decline in general business conditions during 1958, Wisconsin Electric Power Company continued its long-range program of improvements and additions begun in 1954. The program contemplates expenditures in excess of $300 million during the 10-year period ending in 1964.

Gould W. Van Derzee

Our expansion program is based on a solid belief in the continuing economic growth of the area we serve and its consequent need for a plentiful supply of electric power. We realize that electric power and progress go hand in hand. Progress makes power mandatory — power makes progress possible. Since it usually takes a period of several years to plan and build major generating and transmission facilities, we must continually take a forward look at the economy of the area we serve—and make our plans accordingly. In 1958, the cost of additions and improvements to our electric generating, transmission and distribution facilities totaled approximately $38 million. Important expenditures like these help bolster local economy since a good portion of the total is spent for equipment, materials, labor and services supplied by manufacturers, business concerns and employees in this area.

Present budget planning calls for similar expenditures of about $40 million in 1959. Scheduled for completion in the winter of 1959-60 is a fifth generating unit at our Oak Creek power plant near Milwaukee, the newest of the generating facilities which currently provide a total dependable generating capacity of 1,311,500 kilowatts for areas served by Wisconsin Electric Power Company. The new Oak Creek unit will add 250,000 kilowatts to the plant's present capacity of 500,000 kilowatts and will cost approximately $40 million.

Some idea of the rate of growth in the use of electricity may be gained from national statistics which show that, about 25 years ago, the average used by residential customers each year was little more than 500 kilowatt-hours. In 1958, the average residential customer of Wisconsin Electric Power Company used about seven times as much. Similar increases in the use of electricity are to be found on the farm, in business and industrial enterprises.

Like most other investor-owned utility companies throughout America, Wisconsin Electric Power Company is preparing for the day when it may be economically practical to use atomic energy as a source of heat in the generation of electric power. We are one of the 25 member companies of the Power Reactor Development Company, a non-profit organization now engaged in constructing the Enrico Fermi Atomic Power Plant on the west shore of Lake Erie, north of Monroe, Mich. It is expected the plant will be ready for initial operating tests by 1960. It seems, however, that neither this plant nor any of the other atomic power plants now under construction, will be able to produce electricity at costs competitive with the present coal-burning plants in this part of the country.

Among the many factors upon which our views of the years ahead are based, is the expected effect on demands for electric power resulting from the new St. Lawrence Seaway which is scheduled for use in 1959 and may well lead the way to more growth and more progress in the areas we serve. Progress makes power mandatory—and power makes progress possible!

WALTER E. VAN der WAAG

President, The Meadow Brook National Bank, West Hempstead, N. Y.

In looking ahead to 1959, we here at Meadow Brook National Bank share the general optimism that seems to banket the "crystal ball" fraternity at this time. Certainly Long Island, the area which we serve and know best, would appear to be embarking on a 12-month period full of development and expansion.

W. E. Van der Waag

Of course, no area of this country is completely independent of another, nor in this modern era, can we overlook the effects of the economy of the rest of the world on that which exists in this country. Being highly local in our outlook, we cannot presume to look very far beyond our own area and must admit that our future here can be affected by those things over which we have no control. However, if you concede the validity of the optimism previously mentioned then certainly there is no area which can make more progress in a healthy economic climate than suburban Long Island.

The old adage about not putting all our eggs into one basket woud seem to be the key to economic health here on Long Island as well as nationally. The former "bedroom" of New York has become more and more self-sufficient, providing more and more local jobs for its resident population and these jobs are becoming less and

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less hinged upon the tenuous situation of a government contract. To this end the business leaders in the area are continually bending their best efforts.

The Home Construction industry which hit its peak in the postwar years here on Long Island is looking forward to a revitalization from the leveling-off period of 1957 and 1958. Add to this more activity in the general construction field and the other commercial and industrial growth referred to earlier and you have some of the reasons for our optimistic approach to 1959. Certainly 1958 saw a strengthening picture in many phases of the economy which should lead to a very healthy situation in the year to come.

ESTIL VANCE

President, The Fort Worth National Bank, Fort Worth, Texas

Local business conditions have been quite favorable during the past year in comparison with the economy of the Nation. This can be accounted for largely by generally improved farm and ranch conditions in the Fort Worth trade area which offset to a great extent, particularly during the first part of the year, declines in other economic activites. It is also gratifying to note that during the last two or three months of 1958 local economic trends in general have been very favorable, and it appears logical to expect these favorable trends to continue through 1959. Retail sales and building activity are two of the outstanding items which account for much of the rising business activity. In view of these local conditions, as well as the national economic outlook as mentioned below, the outlook for the banking industry is quite satisfactory. Although mixed economic trends may be expected by various business concerns during 1959, indications are that the year will show an overall improvement over 1958. In terms of Gross National Product it appears that an increase of from five to eight per cent may be expected. This improvement seems likely in spite of the fact that many sources expect only a slight improvement in the amount of capital expenditures in the last few months of the year. If capital expenditures should show a greater increase than now expected by many, the overall economy would, of course, show somewhat greater improvement.


Estil Vance

It is particularly encouraging that an increase in business may be expected with only a slight increase in prices. This could be interpreted to mean that inflationary trends of the past several years may be modified somewhat downward from the three per cent annual average experienced during the past several years. Corporate profits are expected to increase during 1959 primarily for two reasons: (1) higher volume; and, (2) increased productive efficiency. It appears that 1959 can also set the stage for a somewhat more vigorous economy beginning in 1960 and this, of course, has a direct bearing on the outlook for interest rates inasmuch as there will be a greater demand for funds. Interest rates will naturally fluctuate to reflect seasonal demand and supply factors, but it currently appears that interest rates will, on the average, increase somewhat during 1959.

Although we have the foundation for a favorable volume of business activity, individuals and corporations will prosper only in relation to our ability to control and reduce the inflationary rate experienced since World War II. Increased productive efficiency and careful fiscal responsibility should be the concern of all to prevent dissipation of the hoped for economic gains in the future.

DR. ERNEST H. VOLWILER

Chairman of the Board, Abbott Laboratories

Any analysis of the pharmaceutical industry for 1959 must take into account not only general business conditions but those factors peculiar to our industry. The economic upturn to date and its continuance in 1959 will help us as it will help all business. But other elements are probably more influential, as our industry is less affected than most by economic cycles, and health needs receive first attention even in less prosperous times.


Dr. E. H. Volwiler

Research, and the flow of new products from our laboratories, will determine success in 1959. If new or better agents for the control or cure of common diseases are marketed, we can foresee a substantial rise in sales volume. Given an average output of new products, added to already established ones, we are reasonably certain to record gains. And even if there are few new items of unusual significance, we can look forward to some growth.

In part this will be true because of the long-term factors which for some time have been influencing our expansion. The general population increase, ever-mounting interest in health matters, and the better health care which accompanies rising standards of living are all plus factors. Moreover, population continues to grow fastest among those groups requiring the most medical care—the very young and the elderly. We all know the strides which have been made in pediatrics, and intensified research into geriatrics promises favorable results in coming years.

Further evidence of industry strength lies in continuing diversification. The growth of veterinary and fine chemical divisions is accompanying expansion in pharmaceutical manufacturing.

Despite varying economic and political conditions abroad, the industry anticipates a growing volume of export sales. Here, indeed, is large potential limited largely by prevailing standards of living and the economic level of many countries. It must be recognized, of course, that for the immediate future, devaluations in important countries, as well as political instability in some of them, may produce an irregular course for American business.

Government spending in medical research will increase in 1959, in part because of such projects as the cancer screening program, which representatives of our industry will carry forward intensively. Government spending may become our special concern, too, if it tends to go too far beyond basic research into areas which can be handled better and more economically by private industry. This is a trend we must watch in the new year.

The pharmaceutical industry has played a major role in the development of useful drugs which benefit all mankind. With the scope of research constantly expanding, our contributions to society will continue to increase. This is a story not fully understood, and we should make greater efforts to tell it in 1959. For one thing, it deserves to be told as a prime example of the values of the free enterprise system.

HARRY W. VON WILLER

President, Erie Railroad Company

Erie Railroad operated on the "caution" signal during the past year along with other railroads and industries but indications are that the signals will be changing to "green" and a clear track ahead in 1959.

The year closed on a more optimistic note than when it started. At this time last year the business recession had already set in and all economic predictions were on the downward side. Fortunately, the recession seems to have run its course. While we are not out of the woods yet, there are definite signs that our economy is headed for a come-back in 1959.


Harry W. von Willer

It now appears that business in general and particularly the heavy goods industries such as steel and automobiles, on which the Erie relies for much of its tonnage, will show a gradual improvement in the months ahead. We can look forward to a more encouraging and rewarding year.

With 1958 carloadings down approximately 20% compared to the previous year, the Erie will end the year with a deficit of slightly more than $4 million compared to a net income of $3,600,600 in 1957.

However, on the basis of our present estimates we will return to a profitable operation in 1959. The extent of profit will depend on a number of factors, particularly in the field of regulation, politics and labor. From the standpoint of business, the climate looks encouraging.

The Erie expects to regain approximately one-half of the decrease in carloadings experienced in 1958, or about 11% on a system-wide basis. But, expenses will be higher in 1959 because of increases in costs of materials and wages, the latter advancing by eight cents per hour last Nov. 1.

A great many additions and betterments have been necessarily postponed for the past year until funds are again available for capital improvements. Some of these may be accomplished during 1959 as money becomes available.

Fortunately, our equipment and facilities are in good condition. In the ten years prior to 1958, we have spent more than $171 million for additions and betterments, an average of $17 million per year.

Enactment of the Transportation Act of 1958 by Congress has made it possible for the railroad to proceed with the discontinuance of the Jersey City-Chambers St. ferry which will help to reduce the Erie's commuter deficit by nearly $400,000 annually. Joint use of the Erie tracks with the Lackawanna between Binghamton and Gibson, on which work was started last month, is expected to reduce operating costs by approximately a half million dollars per year for each carrier.

Saleswise, the Erie is studying and testing many new concepts in railroad pricing in order to attract more tonnage, making possible more efficient and economical operations. Under consideration are such things as volume rates, incentive rates, agreed charges, piggy-back rates and other pricing methods which will help railroads to stimulate competition in the transportation market rather than just meet it. The establishment of such rates will depend on the interpretation of the "rate-making" provision of the Transportation Act of 1958 by the Interstate Commerce Commission.

A. LIGHTFOOT WALKER

President, Rheem Manufacturing Company

The nation's economy apparently has resumed its long-term upward trend, following a period of adjustment. In general, producers of manufactured goods are in an improved position to take advantage of any economic upturn. The recent recession has tended to create a better balance between costs and prices. However, the consuming public continues to resist price increases, and industry must perforce resist pressures for increased costs of direct labor and raw material.


A. Lightfoot Walker

Industrial management must still work hard to establish and maintain a proper cost-price balance and to strengthen the gains in productivity achieved in recent months. These gains have largely reflected management efforts to improve production methods, install efficient machinery and instill cost-profit consciousness at all organization levels. Management's continuing success in these efforts will greatly help the current trend toward business recovery. This is particularly true in certain markets served by Rheem Manufacturing Company that respond quickly to economic swings, such as the home and commercial building market, the automotive market and the steel shipping container market.

There have been increasing signs of strength in commercial construction, also industry sources anticipate more than one million housing starts in 1959. Substantial increases in auto production are expected. These factors will have a salutary effect on business generally.

Government defense spending has continued at high levels, although an increasing proportion has been channeled into research and technical projects rather than quantity production. This trend is profoundly affecting competitive positions of companies in the aircraft industry. Nevertheless, the long-term outlook is for continuing growth and opportunity in the age of advanced types of aircraft, missiles and rockets. Rheem's Defense and Technical Products Division, for example, formerly principally engaged in subcontract airframe and jet engine production, is now also a prime contractor for Army Signal Corps pilotless surveillance aircraft and has substantial orders for missile and rocket components.

While our nation's economy shows increasing strength, it is heartening to note that many Free World nations have also improved their capacity for economic growth. The recent steps toward free convertibility of many European currencies, coupled with the birth of the European Common Market, indicate new opportunities for economic advance abroad. Many companies in this country, including Rheem, look forward to sharing in the growth of markets abroad. Rheem products are presently made in 19 plants in 13 foreign countries.

For the next year and beyond, management faces the difficult task of improving productivity and consequently earnings in order to attract new capital and also to provide funds for research and development.

T. J. WATSON, JR.

President, International Business Machines Corp.

Since business has already recovered a large part of its loss during the recession, I would expect that in a few months total output, as measured by such indicators as gross national product and industrial production, would be back to the historic high level reached in the pre-recession peak. Because of this growing momentum in the economy, the office equipment industry looks ahead to a better year than 1958, with its growth moving back toward the postwar pattern of about 10% a year.


T. J. Watson, Jr.

The office equipment industry was, however, substantially affected by the recent recession, for the nature of the industry is to have a larger response to business downswings than the broad economic indicators. For example, the index of new orders for office equipment and supplies dropped about 25% from its peak in the second quarter of 1957 to the middle of 1958 as compared with a drop in gross national product of 4%, or with a drop in industrial production of 11% during the recession. Although orders were substantially down, production did not fall as drastically because of the size of existing backlogs. Also, a significant part of the industry's revenues comes from equipment rentals, which held up well during the recession.

A factor worth highlighting concerns the "spirit" of the industry in the face of the general business decline. To recharge business interest in office equipment, many of us launched intensive counter sales and service measures. I believe the results of these efforts played a tremendous part in limiting the effects of the economic slowdown on the industry.

Because of improved products, intensively competitive sales efforts, and because of a better economic environment, I expect that substantial advances will be made by the industry in 1959.

J. B. WARD

President, Addressograph-Multigraph Corporation

General business conditions in 1959 will be good. They will support any well planned and controlled program for expansion and growth.

Even though general business conditions will be good, the sales volume needed to support an expansion program will not come automatically. Increased sales, however, will come if full attention is given to the strengthening of the many areas of operation that have been weakened by a number of years of lush business—and further undermined by a heavily advertised, short period of hard sell for which many were not prepared.

J. B. Ward

Concentration by top management on business fundamentals is the order of the day. Careful consideration must be given to increased expenditures for research and engineering and to the modernization of production facilities. Sales organizations must be quantitatively augmented and qualitatively strengthened by improved methods of selection of personnel and a program of training that covers both beginners and veterans.

The economic climate for 1959 appears to be pretty well set. Although there may be some shadows caused by a dip here and there, the year should pay off well for the business man who does what he knows how to do—provided he will just get busy and do it on a continuous day in and day out basis throughout the year.

It is essential that all planning be supported by a firm belief and confidence that we are heading toward the period of our greatest prosperity for which the term "soaring 60s" has already been projected.

P. W. WATT

President, Washington National Insurance Co.

With the new year underway, every sign and indication of increased business activity serve to underline the optimistic viewpoints held by most of our national economists and men in business. We in the life insurance industry share this optimism.

P. W. Watt

Because the life insurance industry plays such an integral part in our national economy, virtually every economic bellwether is significant from our standpoint. Indications are that the income of the average family during 1959 will increase. A steadily increasing amount of this average family income will be set aside for future delivery in the form of savings, investments and family protection. Because of the high regard in which life insurance is now held on the part of the majority of the American public, 1959 should be a very significant year of achievement in our industry. National population figures are rising. Our present population of 170 million people is increasing at a rate not dreamed of only a few years ago. A national population of 200 million is only a little more than a decade away. Because life and accident and sickness insurance strikes at the heart of every individual's needs, 1959 will show a proportionate increase in the size of our national market for protection and savings.

We expect the Gross National Product for 1959 to better its usual 5% increase. Competition in our free society will be greater than ever and hence the appeals for consumer income increase at least as much as the consumer income itself. We are confident that the American public during 1959 will continue to spend wisely; thereby creating more intensive pressure on the part of American business to provide them with ever better products. The same holds true in our business, life and accident and sickness insurance. In order to meet our expected potential for the coming year, steady improvement will be made in terms of a trained and aggressive field force and more effective service to our policyowners because of automation and modernization. Our confidence in the coming years is indicated by the fact that we are moving ahead steadily in both of these areas.

The year 1959 will show an increase in the number of children, an increase in the number of widows, an increase in the number of children going to college and an increase in the number of people paying off home mortgage debt. There will also be an increasing number paying off total consumer debt and an increase in the number of people reaching retirement age. All of these factors relate strongly to the optimistic outlook we in the life insurance industry have in predicting our levels of achievement for 1959.

We believe that the average amount of life insurance held by each family in the United States, presently about $8,300 of protection per family, will continue to increase in 1959. This represents a tremendous growth potential for every life insurance company in the United States today.

W. J. WEBB

Vice-President, Outboard Marine Corporation
Division Manager, Evinrude Motors

Many reporters and writers for various periodicals, upon discovering the scope of the recreational boating industry, resort to a phrase that has become a cliche. That shop-worn phrase is "Boating Boom." Within the industry, we prefer to think of the rise in boating not so much as a "boom," but as the natural growth of a product whose use is synonymous with the rise in the nation's per capita income, its higher standard of living and its increased leisure. These are factors which have been well documented by the economists. Within a sound economy, we have built a sound industry.

W. J. Webb

Frankly, all things being equal, we fully expect the outboard motor industry to continue apace its healthy climb in 1958. Last year, our parent organization, Outboard Marine Corp., showed net sales of $158,712,982, an increase of $8,236,663 over 1957.

These sales were primarily of outboard motors; add to this the sale of boats, boat trailers, fuel, hardware and equipment and the year tallies out with more than $2 billion spent by the consumer on recreational boating. We are fully confident that 1959 will be another $2 billion year.

At Evinrude, we contemplate 1959 sales at approximately 10% over last year's record figure; we are confident our earnings will show a wholly favorable ratio to sales.

We manufacture a range of nine motors, from 3 to 50 horsepower. The popularity of cruising and water skiing has within the past five years, created a market for motors of higher horsepower. Our two largest motors are 35 and 50 hp. models. We expect that about 55% of our unit volume and about 70% of our dollar volume will be accounted for by motors in our 35 and 50 hp. class.

There are many factors which we think will contribute to the continued growth of boating. Not the least of these is the country's trend in population growth. Between 1950 and 1955, the suburbs, in comparison with central cities, grew at a ratio of 7-to-1. In other words, our cities grew by 4% in population and our suburbs by 28%.

Our suburban population seeks its recreation close to its own communities. It follows that suburban areas bounded by water, or having rivers and lakes near at hand, are ideally suited to the development of boating.

One great stimulus to the growth of boating is the growing awareness of bankers in marine financing. For the past two years, we at Evinrude have conducted a campaign to indoctrinate the banker to the profit opportunities in the recreational boating field.

We have published two books, "Profit Opportunities in Marine Financing" and "The Banker's Reference Manual on the Outboard Motor Industry." Both have been extremely successful in that they present the banker with fully documented case histories on marine financing.

Forty-nine percent of our dealers are currently engaged in retail financing. This percentage is considerably higher than that of marine retailers for competitive motors, primarily because of the stress we have placed on our banking promotion.

The role of the banker will become increasingly important with the growth of recreational boating. As a case in point, the Atlantic National Bank, Jacksonville, Fla., financed boat and motor sales in excess of $1,000,000, involving about 2,000 persons this year. The bank has had no loss on such transactions, conclusive proof that risk is nonexistent when the purchase of a boat and motor becomes an integral part of the family's plan for living.

Unlike golf, membership at a hunting lodge, or the expenditure of money on spectator sports, outboard boating involves the entire family, There is every indication, with the emphasis on family life today, that the family will account for another $2 billion expenditure in the boating market in 1959.

CHARLES A. WIGHT

President, Freeport Sulphur Co.

Consumption of sulphur toward the end of 1958 registered an increase over earlier months but the gain was insufficient to bring the annual rate to the level achieved in 1957. The lessened use of sulphur was due to the decline in business activity. Since sulphur is one of industry's most widely used chemical raw materials, its demand follows very closely the trends of business activity in general.

Charles A. Wight

Preliminary data indicated that total domestic consumption of sulphur was off fractionally from 1957, reflecting the lower output of such major consuming industries as paper, steel, petroleum refining, rubber and textiles. However, the relatively good year experienced by the fertilizer industry and segments of the chemicals industry, two of the largest consumers of sulphur, helped to bolster the consumption figure.

Sulphur production was also down. Total output from all sources in the United States amounted to an estimated 6,200,000 long tons, compared with 7,000,000 tons in 1957. The drop in production was the result not only of lower consumption but also of increased imports and, more significantly, a cutback in stockpiling.

Of the total production, three-quarters was brimstone mined by the Frasch hot-water process from salt dome deposits located along the coast of the Gulf of Louisiana and Texas. Indicated Frasch production was approximately 4,650,000 tons, compared with 5,490,000 tons in 1957. Of the balance of the output, 630,000 tons represented elemental sulphur recovered from refinery gases and sour natural gas; 400,000 tons sulphur contained in pyrites; and 520,000 tons sulphur in various forms from other sources.

Twelve Frasch-process mines were in operation in the United States in 1958, including a new mine opened in May by Texas Gulf Sulphur Company at Fannett, Texas. Texas Gulf remained the largest producer, followed by Freeport Sulphur Company, Jefferson Lake Sulphur Company, and Duval Sulphur and Potash Company.

Both imports and exports of sulphur were up in 1958. Imports were at a record of approximately 760,000 tons, compared with 669,000 tons in 1957. The bulk—an estimated 600,000 tons—was Frasch sulphur produced from mines in Mexico.

Shipments abroad, all of which were made by the Frasch producers, were estimated at 1,575,000 tons, slightly higher than in 1957 and only 75,000 tons less than the record shipped in 1956.

To meet more effectively the increased competition abroad from foreign sources of sulphur, the four U. S. Frasch producers during the year formed the Sulphur Export Corporation to sell their sulphur outside the North American continent. The jointly owned company was created under the terms of the Webb-Pomerene Act, which permits companies within an industry to form a single organization to transact their business abroad.

The qouted price of sulphur in the U. S. has remained unchanged since the reduction of $3 a ton effected late in 1957. Prices during 1958 were quoted at $25 a long ton f.o.b. port and $23.50 f.o.b. mine.

Two new U. S. salt dome deposits were under development, both projects of Freeport Sulphur. The largest is Grand Isle, a discovery of major magnitude located off the Louisiana coast in 50 feet of water seven miles from the nearest land. The second, known as Lake Pelto, is situated some miles away in the shallow, partially protected water along the coast. At Grand Isle, a steel

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structure measuring nearly a mile in lenth was nearing completion at year's end, and production is expected in 1960.

C. M. WHITE

Chairman of the Board, Republic Steel Corporation

The year 1958 began with recession and is ending with recovery. It is a recovery solidly entrenched in the experience of the last three quarters of 1958, so far as the steel industry is concerned. Steel production began turning up from the low point last May and has advanced fairly steadily ever since. The only question mark on the horizon is the possibility of a steel strike in July.

Charles M. White

Production of steel in 1959 is likely to range close to 110 million ingot tons—a gratifying 20% to 30% increase over the 85 million tons estimated for 1958. When we realize that we have only had 100-million-ton years since the Korean War, we can understand better the significance of the expected production level for 1959.

There are a number of factors which point to the 110-million-ton level for the coming year. Many important steel consuming industries should have better years in 1959 than in 1958. Economists predict that automobile production should amount to about 5.5 million units in the coming year. This 30% increase over 1958, coupled with an expected build-up in steel inventories, should lead to a 50% increase in steel shipments to the industry.

By the same token, economists say that total construction and industrial machinery purchases will require up to 20% more steel than in 1958. There also will be improvements in the oil and gas industry, railroads, appliances and metal cans, to name just a few important users.

Viewed against a background of a reversal of the inventory liquidation trend which hit steel so hard last year, plus expected improvement in the sale of consumer durables in line with rising income payments, and purchase of new types of manufacturing equipment that raise efficiency, the steel industry has a bright outlook as it enters the new year.

S. D. WHITEMAN

President, Kansas-Nebraska Natural Gas Co., Inc.

The Great Plains Area was blessed with a bountiful harvest of all crops during 1958, and this has resulted in a good level of prosperity. The economy of our region is primarily dependent upon agriculture, and our outlook must necessarily consider crop potentials. Our outlook for the future in this respect is considerably brightened in light of new agricultural developments.

S. D. Whiteman

With the advent of irrigation we are more and more assured of successful crops each year, and agricultural practices are improving at a rapid pace. Such things as improved seed and fertilizer, picker-sheller machines and grain dryers are doing a great deal toward developing a highly modernized agricultural community. With this type of progress we can be certain that our economy will become increasingly stabilized.

Furthermore, our area is experiencing an influx of small industry, and there is every reason to believe that bigger industry will follow. We have abundant raw materials here necessary for industrial development, and our business climate is exceedingly attractive. Great Plains labor cannot be matched for productivity and initiative. The anticipation of more and more industrial development is certainly reasonable, and this again will do much toward a well balanced economy.

Naturally a bright outlook in our service area gives us good reason to believe that there will be a greater demand for natural gas. There will be more applications for gas in agriculture and industry, and the increased use of gas will be of benefit to producer and consumer alike.

From all indications the natural gas industry in the United States has a lot of growing to do during 1959 in order to catch up with the apparently insatiable public demand for gas service. With the proper incentives provided, the next few years will see the continuation of large industry expansion programs.

The industry has serious problems confronting it, however—problems which have ramifications so severe as to stifle the industry. Efforts to reduce the 27½% depletion allowance will be prominent in the 1959 session of Congress. The depletion allowance has provided life-blood of incentive for producers to continue the search for new oil and gas supplies which are becoming increasingly costly each year. It is vitally important to the entire nation that the search go on unimpeded.

There will also be efforts made to take from gas companies their industrial markets. The economy of gas companies is based in part on service to interruptible, industrial customers who can use off-peak supplies, and these sales are of direct benefit to all of the other gas users. Loss of industrial sales for gas companies will inevitably result in higher fuel costs for the gas consuming public.

If expansion of gas facilities is to continue, gas companies must be able to compete favorably in the money market to finance new construction. More favorable rates of return will be required in order to attract investors' dollars and to enable gas companies to meet the expense of the rising cost of money.

These will be major problems facing the gas industry in 1959, and they cannot be satisfactorily solved without favorable public opinion and understanding. During 1959, as never before, the gas industry will tell its story to the people of the nation. It is a story of our system of free enterprise and private ownership of property producing more and better goods and services to more and more people—a story which cannot be told except in a free economy.

CHARLES H. WHITMORE

President, Iowa-Illinois Gas & Electric Company

The business outlook as viewed from our area is a glowing one. Our gas and electric business tends to mirror the activities of industries in the area, the leading one being farm implement manufacturing and aluminum production—that is, aluminum sheet, plate, and foil.

Charles H. Whitmore

The area we serve also embraces some heavy machinery production as well as activities related to light manufacturing and insurance headquarters operation.

The level of business activity appears to be rising at a good clip in the area we serve and, I believe, in the nation at large.

Since 1930, farm families have declined from a point at which they represented 25% of our total national population to a proportion of perhaps 10 or 12% today. Increased farm production meanwhile has come from increased mechanization. The farm equipment business is good now because the farmer has good prices, good crops, and stable, favorable farm legislation. If this year's bumper crops don't cause serious price cuts next year and if the more city-dominated Congress doesn't cause uncertainty among farmers by a fight over farm legislation, 1959 should be another good year for farm-equipment and other farm-related businesses, as always, taking "normal" weather for granted. In the second half of 1958 our gas and electricity sales to industrial and commercial customers are up, and are paralleled by similar gains in the nation at large. This condition reflects a general recovery from the recession. In our area the recession was very mild, while in other parts of the country it was perhaps more serious.

Construction looks better for next year in the territory I am familiar with.

The one serious threat to the economy now visible (either short- or long-term) is the continuation of the wage/price spiral. Many eminent economists, including those in the government, are quoted as saying that the price level is likely to be stable next year and perhaps longer. Their opinions seem to relate, however, to whether or not the underlying pressures will be effective short-term, rather than where prices are going long-term. Wages continue to be increased and the increases appear to be in excess of productivity increases. It may take something like a little extra military procurement nudge from a Quemoy or a Burma to give effect to these inflationary pressures in the market place, but to my mind their effect is inevitable, unless our national policy is changed to provide explicitly for fiscal stability as a modification of the present policy of full employment—at any cost.

At this time I visualize 1959 this way: It will be a fine day for a labor-management-consumer picnic, with the sun shining brightly, but with a black storm cloud of inflation hovering on the horizon.

CHARLES C. WHITTLESEY

President, Ford, Bacon & Davis, Inc.

Because of the obvious connection between new industrial construction and the new corporate financing which is usually required to pay for it, the prospects for investment bankers and engineering-construction firms normally tend to be closely related.

Chas. C. Whittlesey

There are reasons to believe that the outlook for 1959, in both areas, is favorable. One recognized estimate, covering total industrial contract awards, sets a 1959 figure of $35,600,000,000, which is 3% above the 1958 level. For manufacturing alone, new construction measured in floor space is estimated at 14% above 1958.

We sometimes overlook, in attempting to gauge the future, the basic fact that population in the United States is increasing at the rate of over 250,000 a month — equivalent to a new city larger than Des Moines every 30 days, a new city considerable larger than the San Francisco Bay area every year.

Coupled with this basic fact is the popular insistence, in every income group, on a higher standard of living than we have known in the past. Not to mention the continuing challenge in world affairs, which will almost certainly be reflected in defense spending at present high levels.

Another powerful factor pointing to a heavy volume of industrial construction in 1959 is the pressure of rising costs for labor and materials against consumer resistance to price increases. The best solution — in many cases the only solution—has proved to be more efficient production with more modern plant and facilities. Increasingly, lower cost production utilizing every modern method that engineers can devise, is becoming a competitive necessity.

In not a few cases, this may involve plant relocation or a new plant which has better access to raw materials and parts, to markets, to a dependable labor supply, to low-cost power and water, and so on. Here again, the engineer and investment banker work together to make certain that management has the facts on which to base a sound decision and the necessary financing once the decision is made.

It, therefore, seems apparent to me that engineering firms and investment bankers, working together as they do, must be prepared for a busy year.

This work will not be confined to new construction. In some cases, new manufacturing processes, rearrangement of plant and machinery and installation of new and costly equipment, better materials handling, better cost controls, more effective research and development procedures, mergers, diversification and tighter organization can still do much to cut costs. All these things cost money, and in many cases, will require new financing.

It should be emphasized, however, that in the struggle to relieve the cost squeeze through more efficient operations, major new plant facilities will be increasingly important—which cost even more money. Management has, in a great many cases, already squeezed the fat out of existing costs—gone about as far, with existing facilities, as quality standards will permit.

In these situations, joint study by bankers and engineers have been found increasingly desirable for an informed decision in any given situation—on the overall feasibility of the project under consideration, the economies it will produce relative to its estimated cost, and the type of financing best suited to the project and the corporation.

There is a great deal to be done, not only in industrial production, but in the utility field as well. There will be, for some years to come, in my opinion.

A survey during 1958 indicated a $2,000,000,000 backlog of new construction for the natural gas industry, for example, which should have very substantial impact on both banking and engineering in 1959. Pipeline transmission companies have had success in obtaining consents to rate increases required to justify this huge investment.

To meet the needs of a rapidly growing nation, there must be new improvements and extensions for water systems, sewage collection and disposal systems, electric power generating and distribution systems, as well as extensions to natural gas pipelines, pumping stations and other plants.

Such projects also call for careful joint study, both for planning and financing, before the necessary design and construction can proceed on a sound economic basis in relation to estimated costs, market potentials and earnings to support the financing that will be required to pay for them.

For all these reasons, it seems to me, the investment banker and the engineer are amply justified in looking forward to 1959 with a degree of optimism—tempered, perhaps, by the fact that a heavy burden of work may have to be executed under pressure.

This, I believe, implies a healthy outlook for the whole economy. When investment bankers and engineers are busy, so is everyone else—and if the engineers have done their jobs well, everyone is busy at a profit, which is also healthy.

CHARLES F. WILLIS, JR.

President, Alaska Airlines, Inc.

Alaska citizens did more than put a new star in our flag when they voted to become the 49th State.

While the rugged terrains of Alaska will remain the same, the vote did bring a new identity to this vast area. As America's newest state, and a remote one at that, Alaska faces problems. Her citizens hold fast to a religious-like belief in individualism, and yet Alaska's economy has been largely dependent on military spending. Only in the last few years has there been any real development of the industrial potential of the region.

Charles F. Willis, Jr.

Alaska brings into the union the greatest, vastest, richest raw source of industry of any of its 48 forebearers. As a collective unit of hardy citizens striving to compete with her sister states, Alaska will furnish new markets and seek out domestic and world markets as her resource potentials are realized.

Alaska combines the romance of the old with the feverish activity of the new. Grizzled prospectors still sift the sands of the Yukon for a few grains of gold while a few miles away geologists and engineers probe

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The New Inflation Ahead

works in complete contradiction to our basic ideas of equity in a democracy. Moreover, it leads to a type of economic organization and way of life which will not please us, nor be compatible with maximum economic growth. If we do not fight inflation and fight it successfully, we can expect to lose our economic freedom, and to a considerable extent our personal freedom. Some form of statism will take over.

Some say that as long as we have only "creeping inflation" no serious harm is done, and the gains outweigh the losses. This seems to me to be an extremely dangerous position. It is dangerous, first, because if savings are checked by rising prices, a gap will appear between investment and savings which must be financed by means likely to bring about more price increases.

It is dangerous, also, because we cannot depend on the monetary authorities alone to hold the line. This might be a more confident defense if we could be assured of budget surpluses in inflation periods. But the ability of our government to accomplish this is presently in doubt, and without this help the full burden falls on the Federal Reserve. This is more than we can ask even of this powerful institution. There seems to be the general impression that the Federal Reserve can somehow all by itself maintain a dynamic business climate, make sure there is high level employment, and keep the dollar sound. If any of these things falters the Federal Reserve is said to have fallen on its face. This is unjust. It was never envisaged in the Hearings which led to the Employment Act of 1946 that monetary policy was to be the sole instrument for reaching our objectives. The Federal Reserve has some powers and lacks some powers. It has a vital role in attaining our economic objectives, but it should not and cannot be expected to do the whole job.

And, furthermore, creeping inflation is dangerous because it may not remain creeping. One of the characteristics of rising prices in our country in the past decades is that the public has never been sure the rise would continue. Continuation of such uncertainty is essential to prevent the rise getting out of hand. But in order to maintain uncertainty our government would have to pursue the policy of creeping inflation while trying to persuade the people that it is not doing so. Such a course of action is less than moral.

Finally it is dangerous because it assumes that problems of equity and justice under inflation will be ironed out by escalation. No society which lives for long under rising price levels can resist the fascination of schemes and devices to escalate the whole economy. In the United States we are already familiar with cost-of-living increments for six millon wage earners; a monster support program to bring agricultural prices into so-called parity with the things the farmer must buy; and Congressional review of Social Security benefits to keep them in line with the cost of living. Private uninsured pension schemes which attempt to provide some protection for the pensioner against the decline in his purchasing power have cropped up everywhere. In the life insurance industry the variable annuity is debated continuously.

We are beginners at this idea of escalating the economy against inflation. In one European country (France) these techniques have been developed into a fine art. Securities of private borrowers, nationalized industries, and even the government itself are indexed in some fashion as to principal or interest or both. One can even buy life insurance which is indexed from the government, though private companies are not permitted to make such sales.

Is this the direction in which we wish to go? I do not think so. There are two basic difficulties. First, these schemes are not and generally cannot be so devised to protect all groups with precision and promptness. They fail democratic standards. In France, since there is not always complete confidence in the cost of living index, escalation for private borrowers may be in accordance with the price of a product such as a kilowatt of electricity or, in the case of the government, in accordance with the gold Napoleon. Sometimes these arrangements work in the direction of parity; sometimes they don't.

Second, widespread resort to such measures not only diverts a lot of ingenuity from the solution of the basic problem of cause but also runs a great risk of actually contributing to the inflationary forces. Since the real gains which accrue to some sectors through inflation are diverted in part to the losers by escalation, the initial gainers may well develop the attitude that government expenditures or the money supply should be increased to assure them of their full gains. The futility of this jockeying for position is apparent. This sort of thing can become a vicious spiral, hardly consistent with maintaining a gently rising price level.

Some people, the West Germans, who have within the lifetime of many now living experienced the demoralization of galloping inflation, or the Swiss, who value very highly a stable relationship between their currency and that of others, have no confidence in such techniques and prefer to concentrate their efforts, not always successfully of course, on avoiding the problem in the first place. In general, this strikes me as the wisest course of action.

Why don't we do something about inflation? There are several answers. One is that we do not, even in sophisticated circles, completely agree on the cause or causes, and hence we can't agree on and execute the cures.

Another is that inflation has not yet caused enough suffering to enough people. For a long time in the early stages of inflation the bulk of the population occupy a middle position. They don't gain and they don't lose; they are unhappy because they realize that they are not going forward and yet they either don't understand what is being done to them and what is doing it, or they are politically unorganized and ineffective.

Another large group, one that has banded together in strong political units, makes some progress. Some of the progress is real; some is illusory. This group, which has made some gains through its strong trading position, has up to date accepted inflation, if not enthusiastically. However, this group is now beginning to recognize the inflation danger but suggests price control as the remedy.

Our people know and understand depression. They have had experience in that direction. Economic statistics from those days are not what impress them—they are still marked by the things economists sometimes forget: the human cost of such experience, the toll that never shows on a graph but leaves a dreadful scar. They are not readily impressed with statistics and graphs and figures on the dangers of inflation. How can we bring this to their consciousness when there has been no great dramatic experience with inflation? We find a different situation in some quarters of Europe such as Germany, where after World War I prices increased a trillion-fold. While our experience is of men selling apples on street corners, the experience of certain other countries is of men buying a loaf of bread with a wheelbarrow load of money.

Now, in opposition, there are growing numbers of people who are beginning to experience and to understand inflation in human, social terms. They are in deepening trouble, for in the last 20 years their dollars have been cut in half. And for very many of them there are no reasonable or even possible ways to increase their incomes.

People on fixed incomes are particularly found in the upper age level: retired workers, widows on pensions. These victims are joined by those on relatively fixed incomes, many of whom are doing necessary and useful public service for pay which lags far behind prices. Few have the energy to follow the example of the school teacher who must spend his after-dark hours selling pots and pans. There is more trouble in these areas than we know, for pride lives under a leaking roof a long time before it cries for help. As this group grows, so grows the slim hope that the time will come when their potential political power will have to be considered.

Another serious obstacle to our doing something about inflation is the growing acceptance of the idea that inflation is an inevitable fact of our life. This involves scotching the confident feeling that "inflation may be rough for some other guy, but I can take care of myself."

The man who can take care of himself is a master of the sophisticated art of hedging. He knows when to buy land, when to convert real estate into diamonds, when to borrow money, whether to buy art or Persian rugs, when to start a bank account in Switzerland, and, last but not least, he knows when to buy stock and what stock to buy. To imagine that millions of amateurs can play this game is madness. But there is contagion in this kind of thinking. When banner articles advising readers how to make a good deal in inflation appear in magazines of wide circulation, it is time for inoculation.

One could summarize the situation by saying that while today the majority are holding even or gaining, a large minority are continuing to lose. Philosophically, in a free democratic society it has always been held that the majority could not and should not impose on the minority. This is an over-simplified picture of our complex dilemma.

The judgment of the market place may be significant. Some of the so-called wise money in this country, and in the wide world as far as that is concerned, is trying to hedge in various ways. We have exported during the current year to date more than $2 billion in gold. This money flowed out of the country largely because of changes in the balance of trade and other economic factors. Some of it may have gone because a few people thought they would do better to cash in on American assets and bring them home in a form that couldn't depreciate in dollar terms. What is a few today could be many tomorrow.

The performance of the stock market is apparent to all. When investment experts and speculators generally agree that most stock prices are too high by any of the historical indices, something has been added when these same people continue to buy—or at least refuse to sell. The "something added" is, of course, the hope or belief that ownership of equities will furnish some hedge against erosion of the dollar.

What a few may be doing today could accelerate into a large flight from the dollar. The world at large is watching our money with great concern. Circumstances have placed us in the position of world banker, a role occupied by the British for a long time. The obligation of the banker is not only to help to provide capital resources but to hold with sound money. Our preachments to the world and to the so-called underdeveloped countries against the wickedness of inflation and unbalanced national budgets are not going to be received with very much force unless our action supports our preaching.

The suggestion made by some, namely, that the way to control inflation is to impose price and ultimately wage controls, is rather naive. The experience of the country during wartime showed that this is a weak approach to a fundamental problem. If price control does not work under an atmosphere of national support of a war effort, it certainly will not work in times like the present.

Another suggestion is a law calculated to attempt to restore balance between the bargaining power of labor and business. There have been other suggestions, such as those calling for the passage of a law which, for example, would set up a government bureau, such as a consumer's bureau, to express judgment on the justification for price rises in basic industries.

These suggestions reflect the well-known American characteristic—when in trouble pass a new law. One new law will lead to another, and ultimately we get back to my starting place—statism in practically complete form.

You are certainly asking at this point: If we face a great danger, what do we do?

First, we decide that inflation is a real threat and that we cannot contain it either by laws alone or by escape to so-called inflation hedges.

Then we have to use in full all the institutions we have available to carry out our national purposes of a stable dollar, high-level employment, and freedom of economic growth. These instruments are the Federal Reserve and its power to regulate the supply of money and credit; a fiscal, budgetary, and debt management policy which must be developed in a way to assure balanced budgets over time; and a tax structure which will produce surpluses in times of boom and will have enough flexibility to encourage growth despite the necessity for a high tax-take.

What we have also to do is to find effective ways to educate the public in basic economics. The people must understand thoroughly the fundamental economic truth that a society cannot take more out of an economy than it puts in. Too many people believe that all that is needed in a democracy is to vote right and we can have whatever we want. Production is the result of successfully combining management, capital, and labor and materials in a favorable climate. Out of production comes distribution. We must produce more, if we want to have more. Since so much of our production is required for national defense, the short run rate at which we can improve our civilian standards of goods and services has some practical limitations. On a long-term basis with the proper kind of environment, we have the capacity to have almost all of the things we need and want.

If these warnings on the dangers and problems of inflation in this country sound like Jeremiah (the Prophet of Woe), they are so intended.

As a people, Americans are and have a right to be consistently optimistic. A danger has to be very visible and very present to bring about appropriate action. We know that this danger is very present; we must share the responsibility to make it clearly visible. My belief is that we will meet the challenge. Let us be determined that we will do it soon enough and vigorously enough. Our reward will be that by avoiding further price rises we will not have to pay the resulting penalty of economic dislocation and of economic and human suffering.

With Reid, McDowell

(Special to The Financial Chronicle)

SPOKANE, Wash. — Harley O. Van Hise is affiliated with Reid, McDowell & Frazier, Payton Bldg.

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the bowels of the Arctic tundra for petroleum. It is said of Alaska that it probably contains every mineral in the table of elements; probably all are within the shadow of Mount McKinley, at 20,320 feet, the highest peak in North America.

The tremendous sweep of green that is Alaska's forest is virtually untapped. But a new, big, bristling Pulp Mill, built at a cost of $56 million hums the quick tune that keeps Ketchikan jumping.

But, as I pointed out, Alaska is remote.

To the transportation industry, this means a challenge, a challenge we are beginning to meet and will meet in 1959 with greater vigor. Already, passenger flow in and out of Fairbanks, key city in the heart of Alaska, has more than doubled for Alaska Airlines, Inc.

Alaska is slowly learning to pull food from the rich but mostly untended soil; today the new state imports 90% of its foodstuffs. Automobiles, washers, dryers, electric irons, clothing and thousands of other necessary items must be brought in from the other 48 states. Alaska's population of 220,000 persons must double and redouble before surface transportation can meet the needs of the state's unique climate and economy. Until then airlines will be the vital arm of transportation in the north. This coming year will be the busiest for air transportation.

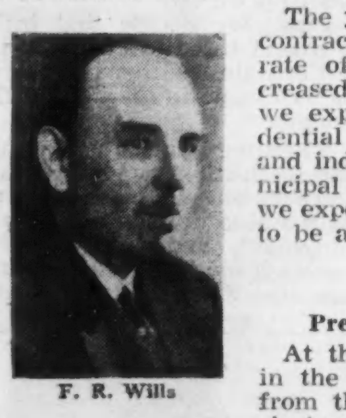
Since Alaska has one of the greatest natural tourist lures in the world, it may find its biggest business by developing this God-given resource. Tourists will probably bring into the 49th State more than $30 million this year and with the signing of the Presidential decree making Alaska's statehood law, next year should add several million to this figure.

Fishing is both an $80 million annual business but is likewise another tourist attraction. No bigger salmon exist than those caught in Alaska's chilly waters. Petroleum exploration activities have led some economists to predict that in a few years petroleum will over-shadow all other industries in Alaska; a bold prognosis considering the $400 million expansion in lumber and pulp in Southeastern Alaska. Alaska—new, bright and potential—must have its link with its neighbors to the South. In 1959, Alaska Airlines intends to assume the important role of providing that link.

F. R. WILLS

President, General Acceptance Corporation

The renewed confidence which consumers are showing in their attitude toward job stability and their sureness about future income is the key factor in the outlook for the consumer finance industry in 1959. A reliable barometer of consumer buying intentions has been the series of studies conducted by the Research Center of the University of Michigan. Their latest survey reports that a marked upsurge in consumer optimism has taken place since the mid-summer of 1958.



F. R. Wills

The trend of personal income in the United States provides another encouraging factor. The annual rate of personal income (seasonally adjusted) for the first 11 months of 1958 was $352.9 billion as compared with $348.0 billion in the corresponding period of 1957. These figures indicate a healthy recovery from the downward trend of late 1957 and early 1958. Gains in consumer income customarily have brought increased interest in and demand for consumer credit.

In particular, the volume of automobile instalment credit extended by our industry is expected to show an impressive increase in 1959. Conservative automobile industry sources predict that new car sales in 1959 will range between 5,100,000 and 5,500,000, which will compare with total expected factory sales in 1958 of about 4,500,000.

Also contributing to a more favorable outlook for automobile instalment credit is the fact that the record-breaking volume of instalment credit extended for car purchase in 1955 has been largely liquidated by now. Furthermore, 1958 was the first year since 1954 that the amount of automobile instalment credit repayments exceeded credit extensions.

It appears at this time that the consumer finance industry will be able to obtain ample funds at relatively reasonable rates in 1959. While interest rates which finance companies pay for their funds rose substantially during the second half of 1958, it appears unlikely that the Federal Government will again permit a return to an excessive "tight money" policy.

The extent of General Acceptance's faith in the future is perhaps best evidenced by our willingness to complete two major expansions in 1958—the purchase of 18 offices of Admiral Finance Corporation and 14 offices of Chevron Finance Company. "GAC" now has a network of 194 offices from coast-to-coast. With these acquisitions, our company is in a much better strategic position to benefit from increased public demand for consumer finance services.

Summing up, the all-important element is greater confidence on the part of the public. Jobs seem more secure and this attitude is being translated into a more liberal approach toward undertaking credit obligations. This climate of consumer optimism should make 1959 one of the best years of the past decade for the consumer finance industry.

R. BAXTER WILSON

President, Mississippi Power & Light Company

The recession of 1957-58 did not affect the economy of Mississippi to the same extent as the nation as a whole. Jackson, the state capital, ranked during six consecutive months of 1958 as the top city nationally on the basis of improvement in general economic conditions over the prior year. While the rate of growth, or expansion, for the state as a whole slowed somewhat in 1958, business activity exceeded that for 1957 by some 6%. From this higher plateau a further increase of 6 to 8% is anticipated for the year 1959.

R. Baxter Wilson

Agriculture is an important income producer in Mississippi and all indications point to a significant improvement in this area. Cotton production in the last two years has been disappointing due to adverse weather and to the fact that so much land was withdrawn from production through the "soil bank" program. It is estimated that "average" weather, abandonment of the "soil bank," and more flexible acreage controls will result in an increase of 23% in farm income from this source. Production of meat, poultry, and staples has been growing steadily as important income producers and this trend is expected to continue. While the prices of beef and pork are projected to recede somewhat this fall, the stability of this group as a whole should not be adversely affected and income should increase about 3% over 1958. Over-all cash farm income should exceed that for 1958 by about 9%.

Location of new industry and expansion of existing industries in the state are expected to proceed at a rate roughly equivalent to that of 1958. Industrial production, however, should be generally upward during 1959 reflecting national trends. The high level of building activity, expanded highway program, and anticipated increase in agricultural production should stimulate output of certain industrial groups which were depressed during 1958.

Manufacturing and non-agricultural employment in Mississippi have reached record levels recently and a further increase is indicated for 1959. The drop-off in agricultural employment experienced in recent years (through mechanization and reduced acreage) should stabilize at or above the current figure. As a result, it is expected that 1959 will find more people employed at higher wages and that this will support new records in sales of goods and services.

The year 1958, for our business, did not produce any contraction but simply resulted in a smaller than normal rate of growth. Industrial revenue, for example, increased nearly 4% during the recession period. In 1959 we expect to do somewhat better than in 1958. Residential Revenue should increase about 8%, commercial and industrial revenue about 6%, government and municipal revenue about 4% over the prior year. Over-all, we expect our rate of revenue growth from these sources to be about one-and-one-half times that of 1958.

J. THEODORE WOLFE

President, Baltimore Gas and Electric Company

At the threshold of the new year, business activity in the Baltimore area is showing a steady comeback from the low levels which extended through the first six to eight months of 1958. Electric power consumption—a good economic barometer—of about half of our large high tension customers was not affected downward by the recession. The lines of industry which showed increased usage for the year include, among others, can manufacturing, electrical equipment, lumber and building products, paints and pigments, rubber products, soap products, stone products, and Federal Government operations. About 80% of those that were affected had fully or substantially recovered from the drop by the end of the year, the principal classes of this kind being chemical, acid and fertilizer manufacturing, meat packing, stainless steel production, metal fabrication, and paper and felt manufacturing.

J. Theodore Wolfe

Figures for December are not yet available, but based on the 11 months ending with November, we expect cubic foot sales of gas for the year will exceed 1957 by about 13%, and kilowatthour sales of electricity to be just about equivalent to last year. Increases in electric sales to both residential and commercial users were offset by a decrease in industrial sales. For 1959, sales of gas are expected to exceed 1958 by about 10%, with sales of electricity showing an increase of 8%. These figures exclude electric sales to a large steel mill where some of the power our Company supplied in 1957 was displaced by the addition of a generating unit using by-product fuel.

During the past year our Company recorded net gains of over 8,600 residential electric and over 5,800 residential gas customers. There was a decline in new home construction which extended through August. In September, however, a marked improvement in housing starts was noted. At the end of November, the number of building permits issued for the preceding three months showed a 70% increase over the corresponding period of 1957. This fact, coupled with reports from our larger builders, is indicative that new home construction in 1959 will be well above that for the past year.

Business obtained during 1958 from industrial and commercial customers for new electric and gas installations is estimated to produce a net increase in our Company's revenues of about $5,300,000 annually. Contracts to supply new gas installations exceeded all previous records, being 38% greater than for 1957. New electric contracts showed a small increase over the preceding year and were the second highest in our history. A considerable amount of this new business will not be connected to our lines until some time during the coming year. We have prospects for 1959 of contracts for new commercial and industrial load additions, both gas and electric, closely approximating the 1958 results.

There are a number of specific items which point to an acceleration of industrial activity in the Baltimore area during the coming 12 months. One is the erection here of a $30,000,000 electrolytic copper refinery, scheduled to begin operations in midsummer. This large industrial acquisition, together with existing copper refining facilities, will make this the nation's second largest copper refining center.

Stainless steel production is increasing rapidly. Of the two large local plants, one has recently added and the other now has under way major expansions of production facilities. There is increased activity in the metal working industries, with several recent sizable expansions by large concerns in this field. Improvement is being shown in chemical and fertilizer manufacture. Manufacturers of electrical equipment are operating at a high level.

As in the past, future business activity in the Baltimore area will reflect the benefits of the wide diversification of industry here. Our service area of 2,300 square miles comprises the Port and Metropolitan area of Baltimore and all or part of eight surrounding counties. This mid-Maryland section contains about 1,750,000 people, or nearly 60% of the State's population. Industries here also enjoy the advantage of immediate proximity to the nation's capital, a second large and growing metropolitan area which gives a combined consumer market of over 3,600,000 people within a 35-mile radius. In our Company's territory there are more than 2,200 manufacturing establishments, representing every major group in the U. S. Standard Industrial Classification, and a number of these plants rank as the world's largest of their kinds.

During the five-year period 1959 to 1963 we estimate that the growing needs for electric and gas service in the Baltimore area will require expenditures by our Company of $270,000,000 for new construction, of which about 80% will be for expansion of our electric system, 16% for our gas system, and the remainder for miscellaneous facilities.

The second 125,000 kilowatt unit at our Herbert A. Wagner steam electric generating station is now in final stages of completion and scheduled to go into operation early in 1959. It will increase our steam electric generating capacity to over one million kilowatts.

During the coming year, we estimate expenditures for new construction at approximately $47,000,000. About $15,000,000 of this will be for new electric generating capacity and associated facilities, most of which will be initial construction of our new Charles P. Crane steam electric generating station east of the City, where the first 175,000 kilowatt unit is tentatively scheduled for 1961. Other construction expenditures during 1959 include $22,000,000 for expansions and improvements to our electric transmission and distribution facilities, and $7,000,000 for additions and improvements to our gas distribution facilities.

Our Company's expansion program is geared to the growth—residential, commercial and industrial—foreseen in this area for 1959 and the years immediately ahead. Based on past experience and current conditions, we have every reason for confidence that this growth will materialize.

HARLESTON R. WOOD

President, Alan Wood Steel Company

The steel industry enters 1959 with renewed vigor and in an economic climate considerably more favorable than that in which it entered 1958.

General business conditions are improving and downward inventory adjustments have, for the most part, been completed by consumers of steel. The upward trend developing in durable goods manufacturers' sales and new orders should result in at least a mild build-up of steel inventories in coming months. This reversal of inventory trend will add an increasing impetus to the demand for production of steel.

Harleston R. Wood

Steel production will, more than likely, receive a further boost when the 1959 auto styles are available in greater supply and auto dealers increase their inventories to meet the demand for immediate delivery in competitive marketing. Spending for capital improvements is also expected to develop strength through 1959 as commercial and industrial construction is affected by the general economic recovery.

The steel industry is, consequently, looking forward with confidence to an operating rate averaging 75 to 80% of capacity or better for the year 1959.

Alan Wood Steel Company devoted its primary ef-

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forts in 1958 to consolidation of the improved position it has achieved in the steel market through its recent expansion and modernization of equipment. These efforts resulted in considerable progress in cost reduction and quality improvement, and enabled the Company to operate during the year at a slightly higher per cent of its rated capacity than the industry as a whole. They also resulted in a level of earnings which must be considered satisfactory in view of the poor business conditions which prevailed through most of the year.

The year 1958 also saw substantial completion of the Company's Iron Powder Plant which will go into operation in early 1959. This plant is the first commercial direct reduction plant to be built using the H-Iron method of reduction and holds great promise for the future of the Company. It will provide a further diversification of products, and permit Alan Wood to enter into an expanding market for iron powder to produce molding parts, welding rod coatings, cutting and scarfing powders, and high grade melting stock.

Three years of operation, uninterrupted by labor disputes involving contract negotiations, will be completed during 1959. This was accomplished through the acceptance by management and labor of a three-year contract in 1956. Negotiations with the United Steel workers of America will be conducted midway in 1959, and it is hoped that agreement can be reached without involving a long and costly dispute resulting in an economic loss to all parties concerned and the economy as a whole.

With the continued growth of the economy, we look forward to a successful year in 1959, and a continuation of our expansion program to take care of future demands upon our facilities which will most certainly result from current technological progress and the nation's expanding population.

J. ALBERT WOODS

President, Commercial Solvents Corporation

1959 should be a better business year for the chemical industry and for the economy in general. This improvement over 1958 is expected to be on the order of a 10% improvement in dollar sales. These gains, however, will not be made without effort.

J. Albert Woods

The upturn of the economy which began at midyear 1958 gathered momentum in the fourth quarter and carried over strongly into the new year. The effect upon the chemical industry was rapid and substantial as major areas of business replenished depleted inventories and resumed moderate to high production levels.

Much of the chemical industry's output finds its way to the consumer in the form of other people's products. The business of chemical companies, therefore, is extremely sensitive to fluctuations in other areas of the economy.

With the automobile industry signalling a 20% increase in production, textiles predicting a healthy year ahead, housing starts estimated by the Federal Government at better than 1.2 million and the Gross National Product expected to rise by 10%, the chemical industry has good reason to anticipate continued improvement in 1959.

Not all the signs are so encouraging. Although profits may be expected to increase in 1959 they probably will not keep pace with the increase in sales volume. Rising taxes, raw materials and labor costs with the effects of overproduction in some markets are likely to offset to some extent the benefits of expanded business. The price breaks which troubled much of the chemical industry during 1958 probably will not repeat themselves

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Public Utility Securities

By OWEN ELY

Indiana Gas & Water Company

Indiana Gas & Water was organized in July, 1945, to acquire the gas and water properties of Public Service of Indiana. Louis B. Schiesz (previously Executive Vice-President of Public Service) became President of the new company and is now Chairman of the Board. Gas service is furnished to 61, and water to 7 communities, in the central, north central and southern parts of Indiana; New Albany, Lafayette and Bloomington are the largest cities served. The population of the area is about 405,000.

The service territory is highly industrialized, including companies such as General Motors, Chrysler, General Electric, Colgate-Palmolive, Pittsburgh Plate Glass, Aluminum Corp. and Lehigh Portland Cement. The area contains the finest gypsum deposits in the U. S. and in 1955 interconnection was made with National Gypsum and U. S. Gypsum at Shoals. Agriculture is extensive and diversified. The southern service area is considered part of the Louisville, Kentucky, metropolitan district which has been enjoying considerable growth.

Gas sales contribute about 91% of revenues and water 9%. Residential (including heating) service provides 54% of gas revenues, commercial 14%, industrial 30% (of which 18% is firm) and miscellaneous 2%. There are about 105,000 gas customers and 32,000 water connections.

While the company buys about 99% of its gas, manufacturing plants are maintained for emergency and peak shaving, with a capacity of about 10,350,000 cf of 1,000 btu gas.

Principal suppliers are Panhandle, Texas Gas Transmission, Ohio River Pipeline and (for a very small amount) Texas Eastern. Panhandle and Texas Gas supply the major part of the requirements; the Panhandle contract runs to 1966 and the remaining contracts to 1973-6. Gas purchase cost averaged a little under 30 cents per mcf in 1957. However, suppliers have been raising their rates, subject in some cases to adjustment and refund under cases pending before the Federal Power Commission.

The company maintains three underground storage fields in Indiana, located near Unionville, Greensburg and Lafayette. The capacity of the first two fields is about 2.4 billion cf but the capacity of the third has not yet been reported, as it was placed in operation only about a year ago. Maximum peak daily deliveries of the two older fields would approximate 20 million cf compared with the maximum day sendout in 1957 of 135 million cf.

The company has shown good growth, with revenues more than tripling in the decade ending 1957. As with other companies in the Middle West, residential space heating furnished the impetus for growth with sales increasing from 1.9 billion cf in 1948 to 7.7 billion in 1957. Commercial space heating jumped from 0.6 to 2.2 billion (regular residential and commercial sales gained more slowly). Firm industrial sales increased from 1.7 billion cf to 5.9 billion and interruptible sales from 0.6 to 6.4 billion. Average revenue per mcf from residental space heating last year was 90 cents and from other residential customers $1.21. It was anticipated that service would be extended to 4,700 new space-heating customers during the 1958-9 heating season, assuming approval by the State Commission. Space-heating saturation was 52% of total residential and commercial customers at the end of 1957.

Capitalization as of April 30, 1958 was: funded debt 52% and common stock equity 48% (there was no preferred stock outstanding). In July the company sold $3 million 1st 4% bonds privately. The present number of common shares is about 1,556,000. There has been no public offering of common stock since rights were issued in 1951. The stock was split 2-for-1 in 1954. Stock dividends of 3% in 1956, 2% in 1957 and 2% in 1958 have been paid.

Share earnings have followed an irregular trend, averaging about 95¢ in the years 1949-53 and rising to $1.55 in 1956. However, 1957 earnings dropped to $1.40 after giving effect to the stock dividend. While revenues gained 6.1% in 1957 the cost of purchased gas increased 10% and other expenses 11.7%. Firm industrial gas sales continued their steady year-to-year growth, with an increase of nearly 10%, but interruptible sales were down 15.5% due largely to the prolonged labor strike in the cement industry.

In the 12 months ended Nov. 30, 1958, share earnings were $1.50 vs. $1.43 in the previous 12 months. Revenues showed a gain of 10% and net income 9%, but the stock dividend curtailed the increase in share earnings.

Indiana Gas & Water has been quoted around 25 in the over-counter market recently. The regular cash dividend rate of $1 yields 4% and the 2% stock dividend would increase this to 6%. The year-end stock dividend has now been paid for three years and according to the 1957 report, "recognizes the fact that a part of the earnings of the company have been retained in the business and that a portion of the earned surplus is, in effect, permanent capital." The price-earnings ratio is about 16.7.

FIC Banks Place Debs.

The Federal Intermediate Credit Banks offered yesterday (Jan. 14) a new issue of approximately $160 million of 3.45% nine-month debentures, dated Feb. 2, 1959 and maturing Nov. 2, 1959. Price at par, the debentures are being offered through John T. Knox, Fiscal Agent, and a nationwide selling group of securities dealers.

It was also announced that an issue already outstanding with a maturity of Aug. 3, 1959, was re-opened for a total of $10 million, and was sold for delivery Feb. 2.

Proceeds from the financing will be used to refund $136,500,000 1⅝% debentures maturing Feb. 2, 1959.

Join Jaffe, Lewis

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Albert Fox and Louis Ross have joined the staff of Jaffe, Lewis & Co., 1706 Euclid Avenue, members of the Midwest Stock Exchange. Mr. Fox was formerly with Edward N. Siegler & Co. Mr. Ross was with Ross, Borton & Co., Inc.

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to the same degree in 1959. However, widespread price rises sufficient to offset increased costs are not likely, either.

There is little to indicate that employment in the chemical industry will increase materially. The cost reduction and economy programs effected during the recession, the effects of the technological advances in recent plant expansion and rising labor costs can be expected to work against more hiring. Such payroll expansion as may take place will probably be in the research and marketing areas.

In summary then, look for a tendency among chemical companies to emphasize more profitable utilization of existing facilities, further elimination of non-profit items, more effective use of personnel, close control of inventories, continued attention to cost reduction programs and no substantial increase in major capital outlays for expansion. While some costs will continue to rise, prices should improve modestly. Sales will be ahead of 1958 by at least 10%. Earnings will rise, but not in the same ratio as sales. While 1959 will not be a peak year in the economic cycle, it promises to be a good one for business.

JAMES RALPH WOOD

President, Southwestern Life Insurance Company

In addition to the usual factors which affect the business of life insurance, there will be added this year that of Federal taxation. The question in this area is not so much as to the amount of taxes that the companies should or will be required to pay, but, rather, whether the formula will maintain the competitive status that has so long existed in the life insurance business or whether it will give an advantage to the mutuals over the stock companies.

As you probably know, some 20 odd mutual companies have had a bill introduced which, if passed, would shift to a large extent the tax burden from the big to the small, with the result of giving the mutuals such competitive advantages as to possibly eliminate stock life insurance companies. I still have that faith in the American people and their representatives in Congress that I do not believe such a law will be passed.

However, there is no question but what the Federal taxes of the companies will be changed and increased and, until this matter is settled, it would be pure guess to try to forecast the outlook for 1959. I appreciate your courtesy in suggesting that mayhap my views might be of interest to your readers.

BEN H. WOOTEN

President, First National Bank in Dallas, Texas

We continue to be optimistic about the economic future of the Southwest. A decade and a half of rather rapid industrialization here shows little evidence of abating. Its momentum no doubt kept the Southwest from feeling the full force of the recent recession. In fact the recession had only a moderate impact upon our section of the country.

Ben H. Wooten

Banking activity and growth reflect the expanding regional economy which we serve. The vigorous trend of industrial development and the persistently high business activity here have sustained a consistently strong demand for loans and other bank services. We just closed the most impressive year in our history. 1959 looks even better.

Abiding confidence in the economic future of our area coupled with rapid development in all phases of banking has prompted many banks in the Southwest to enlarge their capital and expand their facilities.

Of course, no region or area can insulate itself completely from national business trends and fluctuations; and no small amount of confidence among business people here stems from a belief that the U. S. economy as a whole is headed upward toward record highs in 1959, despite some disturbing elements that plague us all. One of these is inflation, fear of which has been mounting and could reach alarming proportions. Another is the seemingly irresistible increase in government spending (Federal, state, and local) whose magnitude makes not only the total tax burden heavy but contributes to inflation through unbalanced public budgets regardless of high taxes.

Needless to say, efforts to keep the forces of inflation contained have generated fluctuations in the money market which create investment problems for commercial banks and other financial institutions. We fully expect these conditions to continue in 1959. At the same time we hope that they do not become so disturbing that the basic strength of our economy will be afflicted.

C. G. WRIGHT

President, Otter Tail Power Company

That part of the Upper Midwest served by Otter Tail Power Company (northwestern and west central Minnesota, eastern North Dakota and northeastern South Dakota), because it is predominantly agricultural in character, establishes its own economic trends based on weather and crop conditions, farm prices, and other factors related to agriculture. As evidence of this fact, it can be pointed out that the industrial recession in the East had little or no influence on Otter Tail Power Company's growth and income during the 1957-1958 period.

In general, 1958 was an excellent crop year throughout the Company's service area. Business conditions, with few exceptions, were correspondingly good. Personal incomes appear to be rising in line with the generally upward trend in the area. North Dakota is expected to have an all-time record high of farm income.

Very apparent in this part of the Upper Midwest is a growing interest in developing new industries geared to the agricultural economy. New food processing plants in particular have been established and others already existing have been expanded. There is every reason to believe that food processing will become of utmost importance to the prosperity of the region in the years ahead.

In the western part of the Company's service area, the petroleum industry has proved itself to be a healthy and growing business that has done much to bolster the economy of the region. Pipe line pumping stations have brought about an increased demand for electric energy.

To the east, the St. Lawrence seaway development holds great promise for the region by opening up new markets for the crops grown and the products produced in the area.

In conjunction with the University of Minnesota and aided by a Ford Foundation grant, the recently announced Upper Midwest Research and Development Council's plan to study the economy of the 9th Federal Reserve District should do much to focus attention on and heighten interest in the area in the next several years.

In 1959, it is expected that Otter Tail Power Company and the electric utility industry in the area will continue to develop according to the growth pattern of about 7% per year established in recent years. Population growth in the area has been slow, but it is expected that increased use of electrical energy will come more from new uses of electricity rather than from the addition of new customers.

Crop conditions and farm prices will be strong determining factors in how much Otter Tail Power Company will grow in 1959 and the years beyond. However, the agricultural economy of the area at the beginning of the new year is sound and there is every reason to expect that the Company's growth will continue at the same pace as in 1958.

A busy year is in prospect in carrying out the Company's 1959 construction program budgeted at $9,150,000. There is no reason to think that any part of the program can be postponed. All of it will be necessary to keep pace with increased customer demands in the Otter Tail Power Company service area in the year ahead.

W. W. WRIGHT

Vice-President, Finance, Beckman Instruments, Inc.

Our business is in the electronics field with particular accent on instrumentation. We have a substantial portion of our business in components which are used by other instrument and systems manufacturers and by the military. Approximately 15 to 20% of our total sales appears to be directly related to defense expenditures. In addition to government expenditures in the defense area, our business is also affected by government expenditures and grants in the fields of medicine and health since we produce and sell a substantial amount of medical instruments.

W. W. Wright

In general, it is our opinion that the electronics and instrumentation business will continue to be growth industries. By this we mean it is our belief that the rate of growth will continue to average substantially above that of the national economy as a whole. Our own business and that of the industry, however, will have a gradually declining percentage of growth annually due to the fact that the growth each year will be applying to the larger base of the previous year. Thus, for the longer term, we are now thinking in the range of 10 to 15% growth per year. This compares with our understanding of the growth of the national economy in the range of 3 to 4%.

Returning now to our outlook for the year 1959, we are not expecting that this will be a year which shows quite the growth that we expect on the average for the next several years.

Defense spending has picked up but this is not a large enough portion of our total business to produce a substantial increase in our total sales. The sales of medical instruments will continue to improve, particularly if the increased government grants to hospitals, research laboratories, and medical colleges become available for expenditure. New products in this line will also assist us toward higher sales in 1959.

The majority of the remainder of our products are tied in with capital expenditures in industry. I am sure that your readers are well aware of the fact that capital expenditures in 1959 for industry in general are expected to be only slightly ahead of the year 1958 and far below the level that occurred in 1957.

The one bright spot in the capital expenditure area is the fact that substantially higher percentages of the total industrial capital expenditures are being made for instrumentation and control equipment. This should enable us to have a level of sales in these areas somewhat above that which occurred in 1958, but we can hardly expect 1959 to be an exceptional growth year.

Certainly, at the present time, we do not foresee any need to substantially increase our production facilities to meet much higher levels of business than are currently being achieved.

The whole field of electronics and instrumentation is becoming more competitive. The price structure of our products is, therefore, becoming rather more of a factor than it previously was in determining the total volume of business which we shall do.

We believe, of course, that the same factors are applicable to the many other firms in the electronics and instrumentation fields.

One of the reasons why the business is so competitive is the fact that you can begin a business in these product lines without a substantial amount of starting capital. This is an invitation to employees of the firms already in the business to go out on their own and start a competitive business. These competitive businesses frequently get into rough going due to the lack of sufficient capital and start price cutting in order to obtain sales in sufficient volume to meet their payrolls and other obligations.

The next few years will, in our opinion, see a considerable shakeout of many of these smaller firms. We question, however, if there will ever be again the high profit margins which some of the businesses in the electronics and instrumentation field had in earlier years.

MILES F. YORK

President, The Atlantic Companies

It is about as risky to forecast a year ahead in the insurance business as it is to pick the All-American Team before the football season commences. Nevertheless, as 1958 wore to a close there were signs that the longest adverse cycle in the history of property and casualty underwriting was coming to an end.

Miles F. York

Despite the modified optimism prevailing, however, automobile underwriting still gives cause for much concern. At this writing the industry has not yet been able to get anything approaching adequate rates in New York and, inasmuch as this State produces over 20% of the automobile bodily injury and property damage premiums, the heavy losses sustained have had a very serious effect on the whole automobile account. Presumably this situation will be at least partially corrected in the coming year but it will be some time before higher rates will be materially reflected in the underwriting results, and even then rate increases may not be sufficient to keep up with the constantly increasing number and severity of personal injury and property damage claims.

With a higher level of rates and with the expected improvement in the economy, the overall volume of premium ought to increase in 1959 from say 5 to 10% and if, as seems indicated, the insurance business has turned the corner, the year could be a reasonably good one. It must not be overlooked, however, that inflation is the biggest threat to both property and casualty insurers and, unless this is held to moderate proportions, the industry will always be fighting to keep up with rising claims cost.

It is probable that the year will see some further expansion of the property companies into the life insurance field. This movement already has had a substantial start, and with it may come an extension of monthly premium payment plans, a number of which were announced in 1958. All of this, of course, tends to put increasing competitive pressure on the small companies, many of which already feel under compulsion to enter into the multiple line field, although some are neither adequately staffed nor financed. This might lead to some additional mergers; in fact, it is my opinion that mergers or consolidations will be increasingly common until the industry adjusts itself to multiple line underwriting.

The question of costs is a concern to all insurance managements as the battle lines are drawn between the direct selling and the agency represented companies. The latter find themselves in a squeeze and, while some saving undoubtedly can be effected in their operating expenses, any material saving must come from reduced production costs.

On the investment side of the business, it is too early to tell what course the companies followed in 1958. However, it is my impression that the principal buying was in the tax free securities and I would guess that on balance governments and corporates were reduced. There was some selling of equities during the year but probably on the whole there was little change in equity hold-

ings. The appreciation in equities, nevertheless, was substantial and this resulted in marked increases in surplus despite the absence of any material contribution from underwriting operations.

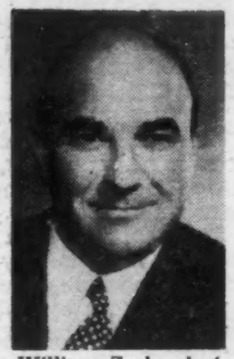
All articles like this ought to carry a hedge and, in concluding, I would like to say that the foregoing has been written on the assumption that there will be no general war and that the year ahead will be free from an abnormally large number of catastrophic losses.

WILLIAM ZECKENDORF

President, Webb & Knapp, Inc.

Continued strength in the market values of real estate is the outlook for 1959.

Real estate will probably attract a larger percentage of the money seeking flight from the dollar than during the past year. Securities have reached an all-time high with an unprecedented low yield. Real estate, on the other hand, has not increased as rapidly and offers greater opportunities for higher income and capital gains.



William Zeckendorf

The further tightening of money is of course an inhibiting factor, working against the high real estate yields. Fixed yield real estate will follow the same downward trend as government and high-grade corporate bonds. This is not a reflection of real estate values but of the money trend.

Higher margin requirements on securities have had the effect of reducing leverage, and this will be another factor working in favor of real estate equities.

Construction of housing for lower and middle income families will be active, with a limited amount of development at high rentals. Industrial building will probably be on a moderate basis.

There will be an increment in the value of rural and suburban land. Second grade urban property will also appreciate reflecting a further increase in the number of urban renewal programs throughout the country.

Building costs should remain stable. Labor and raw materials should be in reasonable supply and employment in the building trades will be slightly above 1958 on a composite basis.

While the real estate picture appears good, I see nothing spectacular in the 1959 trend.

PHILIP M. ZENNER

President Royal McBee Corporation

The year 1958 was one of readjustment and reevaluation for almost all of American business, including the office equipment industry.

The 1957-58 recession had a direct effect on most industries in terms of sales and profits. It also had the indirect effect of bringing into sharp focus the mounting problems faced by managements in their efforts to control costs.

Philip M. Zenner

An across-the-board deflationary trend did not take place during the recession. Rather, the manufacturer who was facing a descending sales curve also was facing a steady inflationary movement in wages and prices of materials which would ultimately affect the price of his own products.

Apparently this inflation is to be a condition with which industry must reckon through the foreseeable future. It presents one of the greatest challenges American industrial management has ever encountered, particularly in the face of accelerated imports from foreign manufacturers who enjoy constantly rising worker productivity under more moderate inflationary wage trends. In meeting such a challenge, management's progress should now be viewed not in the light of temporary gains but in the perspective of sound long-range progress.

Management's principal obligation to its stockholders and employees is to make the business grow—in fact it must grow, in both health and size if it is to survive. Maintaining a profitable operation, of course, is necessary. But earnings in any one period can no longer be used as the yardstick of management. Such earnings are often susceptible to influences beyond the immediate control of management. Examples of such pressures are general business recessions, unsound marketing and pricing practices by competitors, and inflated wage and benefit demands by labor. The damaging effects of such factors on both earnings and growth have been felt by American business generally during much of the past two years.

Nineteen fifty-nine gives promise of providing a more favorable climate in which management can make at least some of the needed adjustments to our more competitive economy and, through them, improve earnings.

We expect 1959 to be a better business year in both sales and earnings. Of equal importance, we expect during 1959 to make significant strides in the program for continued expansion of our entire business as the best means of adjusting to the new economy.

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The Business Environment Ahead

ing and foreign purchases. Over the long term, of course, demands here too are in a rising trend, but interim fluctuations in these sectors often are fairly broad and are in fact responsible for most of the cyclical ups and downs in business, including the recession of 1957-58.

These volatile sectors, in the aggregate, are likely to be expanding over the near term, and this prospect may be taken as confirming the outlook for a rising level of business in 1959. As of this moment, however, there is no concrete indication that expansion in any important sector will assume dramatic proportions.

Rapid liquidation of business inventories was a major factor in the decline of industrial activity in the early months of 1958; conversely, the slackening of liquidation was largely responsible for the subsequent upturn. As is usually the case after such a correction, inventories in many lines, but especially in trade, are now said to be below normal working levels.

With sales and orders improving, some industries are already reported as beginning to rebuild their stocks, and the better business outlook, together with the possibility of a protracted steel strike next summer, argues for a renewal of a more general inventory accumulation in the period ahead. As long as no steep price increases for raw materials appear in the offing, the trend toward restocking is unlikely to become aggressive; productive capacity for industrial raw materials as well as for finished goods appears ample to meet requirements for quite some time ahead. It should be recalled, however, that inventory policies are particularly sensitive to changes in business expectations and international developments. Should a surge toward inventory accumulation take hold, business prospects might be affected to a greater extent than can be anticipated at this time.

Capital Spending Outlook

The decline in business spending on plant and equipment, which also contributed to the recent recession, appears to have come to an end. The recovery in industrial activity and the rapid improvement in corporate profits should mean gradually higher outlays in 1959. This conclusion is supported by recent surveys of spending intentions and capital appropriations and by the behavior of new orders for machinery and machine tools. Rising wage rates are continuing to generate strong pressures for the installation of cost-saving machinery and equipment. However, capital outlays in the important manufacturing category are still being restrained by the presence of considerable unused capacity, a fact which is reflected in the sluggish behavior of contracts for industrial construction. In short, a wave of business investment spending akin to that which sustained the business boom of 1955-57 is not yet in sight.

Private construction in the aggregate is expected to set new records in 1959, both in dollar amount and physical volume. Experts in the field describe the outlook as generally favorable for most types of building activity, with the exception of industrial construction. Elsewhere, including residential building, the volume of contracts awarded in recent months augurs for a high and rising rate of construction — at least for several months to come.

Housing starts were stimulated in 1958 by the favorable financing conditions that prevailed in the first half of the year, the large purchases of mortgages under Federal programs, and the further liberalization of credit terms for Government - underwritten mortgages. As a result, the annual rate of starts rose from some 900 thousand units early in 1958 to above 1.3 million toward the year's end, the highest since 1955. The absence of any evidence of a resurgent business investment boom suggests that mortgage money should be fairly readily available in 1959. Even without further large assistance from the Government, private home building seems likely to equal or exceed the 1.1 million starts estimated for 1958.

Automobiles in Particular

The poor state of the market for new automobiles was another important depressant in the 1958 economy, and only in very recent weeks have sales registered any real improvement. However, since output late in 1958 was curbed by labor troubles and would-be buyers were discouraged by the absence of new cars in the showrooms, the record to date provides little dependable evidence of the public's response to the 1959 models.

The economic environment in almost every respect appears to favor a substantial increase in output and sales of automobiles and many other consumer durables in 1959: employment is on the upgrade, personal income is setting new records, the borrowing capacity of many consumers has been enlarged, home building is strong, the replacement market for automobiles has broadened and some automobile purchases deferred because of the uncertain business climate in 1958 may be expected to be consummated in 1959. Since there is less leeway for the liberalization of instalment credit terms which sparked auto sales in the banner year 1955, that year's record sales of 7.2 million cars is unlikely to be challenged, but there is every reason to anticipate sales of domestically produced automobiles climbing to the neighborhood of 5½ million in 1959 for a gain of perhaps 1¼ million above 1958, despite the prospect of further inroads being made by foreign cars.

Federal Spending

Federal Government orders and spending have been stepped up considerably in the past year—a development which undoubtedly aided the business recovery. Not only has defense spending been increased, but non-defense expenditures have risen sharply with greater social security and unemployment benefits, higher Government salaries, and heavier disbursements in connection with housing and urban redevelopment programs and agricultural price support operations.

Despite the insistence, inside and outside the Administration, on the need to restrain Government spending, it is most unlikely that the upward course of Federal outlays can be reversed in the year ahead. In fact, strenuous efforts will presumably be required to hold down further substantial increases. The cost of defense is being boosted, at least for the present, by rapid technological advances; the uneasy state of international affairs argues against important reductions in this category in the near future. At the same time, many Government programs initiated in earlier years now call for larger and larger appropriations, and powerful pressure groups are agitating for the adoption of additional programs. Pending the determination of Congressional action in the months to come, the most reasonable expectation at the moment is that Government expenditures will continue upward in 1959, although the rise may be less than in 1958. Obviously, such an appraisal must be based on the assumption that the international situation will not change appreciably in the period ahead.

Export Trade

While our imports were maintained surprisingly well during the recession, our exports plunged sharply from their 1957 peak. In part, this reflected a readjustment from the temporary stimulus provided to overseas shipments by the Suez crisis, crop failures in Europe, and United States Government programs for selling agricultural products abroad against local currencies. In addition, foreign competition is beginning to have an effect upon our foreign trade. Foreign producers are demonstrating an impressive ability to compete in the United States market both in terms of price and quality. By the same token, our exports are meeting with increasingly stiff competition from producers abroad, and the substantial advantage enjoyed by foreign manufacturers because of lower labor costs suggests that this trend may become even more insistent as time moves on.

The upturn in business activity presages some increase in imports not only of raw materials but also of manufactured goods. As regards exports, the substantial improvement in gold reserves and foreign exchange positions of many European countries and the recent steps toward currency convertibility may permit higher foreign purchases from the dollar area. However, the expansion in world trade has recently leveled off, thus pre-

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The Business Environment Ahead

sumably moderating demands for American goods. On balance, while the volume of United States exports may have stabilized at its reduced level, no great resurgence is currently in evidence.

Major Problem Areas

This general review of the prospects for 1959 indicates that demands in almost all important sectors of the economy should be adding to the volume of output. Demands currently in evidence thus lend support to the widely accepted forecasts of a gross national product around $470 billion for 1959 as a whole, with activity on a rising slope over the next 12 months. Should prices embark on a pronounced advance, the dollar amount of gross national product would presumably be higher.

Such forecasts, however, must be regarded as tentative appraisals of what is discernible today rather than as firm predictions of the future. In the light of last year's experience, when the recession was both sharper and shorter than generally expected, it is prudent to allow for the possibility, if not the likelihood, that as 1959 unfolds, the course of the economy may be affected by a number of imponderables hovering over the business scene. The high state of business confidence, bolstered by the brevity of the recession, could boost demands by consumers or business well above the levels here anticipated. At the same time, the development of a boom psychology, labor troubles, the wage-cost-price spiral and inflationary pressures from various sides could create troublesome problems for business and for the economy as a whole.

Inflation

The spread of inflation psychology has become an increasingly disquieting force in the American business scene. Expectations of inflation undoubtedly played an important part in the business boom of 1955-57, and subsided only mildly and temporarily in the subsequent recession. With the recovery in business, they were given renewed impetus by the absence of any significant easing in prices, particularly prices of manufactured goods, and by the persistence of the wage-cost-price spiral in the face of increased unemployment, sharply reduced profits and large unutilized productive capacity. The prospect of a record budget deficit for a peacetime year has further strengthened these expectations, and today inflation psychology appears to be more widespread in the United States than in a great many years.

Such expectations present a real threat to future business stability and economic progress. Whether they come to manifest themselves in speculation in equities, commodities or other tangible assets, sharply accelerated accumulation of business inventories or forced-draft expansion of industrial facilities, or large forward buying by the public — the eventual result is likely to be serious economic unsettlement and painful correction. Even more alarming is the prospect of inflationary pressures becoming cumulative and gaining momentum.

This is not just a remote possibility. The risk is very real as evidenced by the operation of the wage-cost-price spiral, which is being accentuated, moreover, by the frequent incorporation of escalator clauses and so-called "improvement factors" in wage contracts. Rising costs and prices, in turn, increase the working capital requirements of business. The reluctance of investors to acquire long-term Government securities in an inflationary climate compels the Treasury to rely more heavily on short-dated obligations, which in turn impedes credit restraint and makes for larger expansion of the money supply. Yet another example is the pressure for higher Government spending to protect favored groups and favored projects from the effects of higher prices and this further intensifies the budget problem. In short, there are more and more signs that inflation is feeding on itself.

For the present and perhaps for some time to come, the availability of manpower, raw materials and industrial capacity would seem to mitigate the hazard of vigorous increases in commodity prices in the United States. Such resources, however, are not necessarily a bulwark against inflation psychology backed by strong inflationary pressures. This has been well illustrated by the recent history of France, where a highly developed economy, richly endowed with agricultural and industrial resources, has for many years been helpless against the progressive depreciation of its currency and the spiralling of inflation, and where drastic action has just been announced in another effort finally to stem the tide. Admittedly, there are many points of difference between the two countries, but even in the United States, the inflationary pressures have become too persistent and pervasive of late to be ignored.

The Labor Situation

Concern over further inflationary pressure, as well as some possible unsettlement in business conditions in 1959, is currently enhanced by the likelihood of demands by labor for large wage increases. This expectation is supported by the rising level of business activity, the recent improvement in corporate profits, the persistent advance in living costs and the fact that wage contracts are up for renewal in some important pace-setting industries, such as steel. The implications are twofold—there is the prospect of costly interruptions to output, and a further increase in wage rates which may lead to renewed pressures on profit margins.

It is true, as the record of the postwar years shows, that even protracted work stoppages usually have only a transitory effect upon the course of aggregate business activity, although they lead to some decline in industrial production in the strike months and to some abnormal rebound thereafter. The fact that the strikes anticipated for 1959 in important industries, particularly steel, are being so well advertised provides an opportunity for advance stocking, which may serve to reduce the impact of whatever stoppages materialize. Profits in the affected industries, however, will certainly be affected, and the extent to which lost profits may subsequently be recovered is questionable.

Furthermore, past patterns suggest that in a period of good business—as is in prospect for 1959 —demands for wage increases exceed gains in productivity for industry as a whole and, if these demands are met, business managements in turn seek to compensate for higher production costs by hiking prices. Such a course of events would not only confirm the widespread expectation of ever rising prices but would also raise problems for business managements.

Productivity has been increasing fairly sharply in recent months. In part, this reflects the huge investment in modern facilities in recent years; in part it reflects economies in operations achieved by business management in the recent recession. However, much of the recent gain in productivity is due to the upturn in industrial activity and, if past experience is a guide, will taper off as the rise in output begins to slacken. Thus, liberal wage settlements based upon recent gains in productivity bring the very real prospect of another squeeze upon profit margins comparable to that which developed in 1956 and 1957.

Another penalty of continued large annual increases in wage rates is to hurt the ability of American business to compete with foreign producers, not only in our foreign markets but also in the home territory. More and more American companies are finding themselves compelled to establish production facilities abroad in an effort to meet foreign competition and by the same token more and more foreign manufacturers are attracting American buyers because of their more reasonable costs for quality merchandise. This development, which has far-reaching implications for labor as well as business management, casts a searching light upon the oft-cited painlessness of spiralling wages and prices.

The Federal Budget

A further obstacle to solid economic progress, also related to inflationary prospects, is the unbalanced Federal budget. Unfortunately, Treasury deficits are adding to credit demands now at the very time when the economy is in an expanding phase, when private financing requirements must be expected to increase, and when an appropriate anti-inflationary credit policy should be in the direction of restraint.

The present plight of the budget is commonly ascribed mainly to the high cost of defense. Undoubtedly the defense needs of our times are a major impediment to the maintenance of an effective fiscal policy. However, of the $14.6 billion increase in Federal outlays in the past four years, less than one-third is for national security; the remainder represents larger expenditures for price supports, various Government welfare programs, and general operating costs. Thus, the budget would seem to permit significant economies without impairing our military strength.

Should serious efforts be made to bring the budget under better control, either by way of cutting expenditures, or increasing revenues, or both, the immediate impact on business might well be to reduce demands for certain types of goods and services below anticipated levels. Looking down the road, however, the alternative would be chronic Government deficits, which raise the much more troublesome prospects of contributing further to inflationary pressures, adding to the strain on our balance of payments, weakening the position of the dollar internationally, and increasing deterioration of the competitive position of American industry—and of American labor—in world markets. It also raises the unhappy possibility that economic controls may be used in an effort to suppress the effects upon prices and living costs.

Implications and Conclusions

The prospect of a relatively moderate expansion for the economy as a whole in 1959, coupled with the presence of deep-seated and insistent inflationary tendencies, raises some disturbing questions for the future. The net effect of these various currents and countercurrents upon the trend of our economy in 1959 cannot be assessed with assurance, but if these trends are permitted to continue, the consequences for the business environment can scarcely be described as favorable.

The expressed goal of economic policy and business endeavor is the achievement of economic growth; only in a steadily growing economy can we hope to achieve both national security and a rising standard of living for our growing population. For the past half-decade, however, the pace of economic expansion has fallen materially below the 3% annual rate which seems to have been the average over the long-term.

Between the two cyclical lows in 1954 and 1958, the physical volume of goods and services produced—that is, "real" Gross National Product — advanced at a rate of only about 1¾% a year. If the two peaks of the business cycle in 1953 and 1957 are compared, the rate is only slightly higher, at 2%. Yet this relatively slow rate of growth reflects not lack of capacity to produce—on the contrary, capacity has been expanded materially beyond immediate requirements. It is difficult to reconcile this with the thesis that inflationary pressures stimulate economic growth; rather, this raises a question whether rising costs and prices may not be contributing to maladjustments that hinder the most productive utilization of our resources of manpower, materials and capacity.

As we enter 1959, the economy clearly has the wherewithal to raise output substantially. Unfortunately, and paradoxically, a sharp step-up in business activity is almost certain to give another twist to the wage-cost-price spiral and to add to the already formidable pressures of inflation, thereby further reducing the prospects for steady and sustainable economic growth. Admittedly, so far, the inflation psychology has been confined mainly to the securities markets. It does not appear to have become important in the commodity markets, in business inventory policies, or in capital expansion programs. Neither has consumer spending been affected by inflationary apprehensions. A spread of inflationary anticipations to these sectors of the economy, however, would greatly increase the probability of further and more severe business setbacks in the future.

Summary

These comments on the forces at work in the economy indicate the hazards of unqualified statements regarding the course of business or the levels of activity that may be reached as the year progresses. As of today, however, the following general conclusions seem appropriate:

(1) The American economy can be expected to set a new record for output in 1959. Gross national product in current dollars will presumably show a more rapid advance than real output because of the continued rise in prices of goods and services. Crucial factors that will affect the pace of the advance in 1959 are the public acceptance of the new automobiles, the course of business investment, the amount of inventory accumulation and the strength in building and construction. If the present recovery follows the general pattern of the past, the rate of the business advance will slow down in the course of the year.

(2) The possibility should not be ignored, however, that economic activity in 1959 may be carried ahead at a more rapid pace than seems indicated at this time. This might come about either as a result of a further strengthening of the confidence of consumers and business, or as a result of increased demands generated by fears of further inflation, or as a result of deterioration in world conditions.

(3) Business managements face the prospect of serious labor troubles and demands for substantial increases in wages in 1959. The rapid rise in productivity achieved in the early stages of recovery is unlikely to continue. On the contrary, within the next 12 months or so, profit margins may again begin to feel the pressure of higher costs.

(4) The record of recent years suggests that, contrary to some opinion, an inflationary environment is not conducive to the most efficient utilization of economic resources for growth, and probably accentuates cyclical corrections in business inventories and the capital goods industries. In short, inflation may well bear some responsibility for the below-average growth of our economy in recent years.

(5) Labor, business and government have each on occasion gained some temporary advantages from inflation, but recently the toll levied by inflation has become more conspicuous. This is indicated by the worsening competitive position of American industry in world markets, a less favorable balance of international payments, greater questioning of the dollar, the outflow of gold and the financing problems of the Treasury.

(6) Eventually, these forces may gain sufficient strength to restrain the inflationary trend, albeit, at considerable cost. A more constructive and lesss expensive alternative would be for the American public to display the courage required to dam the inflationary tide. Halting the wage-price spiral and bringing the budget under control will not be an easy task; it will require political courage by government and a forgoing of temporary advantages by business as well as labor. It is essential, however, if we are to reopen the way toward more rapid and sustained economic growth.

Kidder, Peabody, Inc. Elects Four V.-Ps.

The elections of J. Franklin Cook, Ehrhardt Groothoff, Raymond J. Raff and Harry W. Witt as Vice-Presidents of Kidder, Peabody & Co., Incorporated, 17 Wall Street, New York City, have been announced.

Organized in 1957, the company is affiliated with Kidder, Peabody & Co., securities underwriters, distributors and brokers, founded in 1865.

Messrs. Cook, Raff, and Witt are principally concerned with underwriting and new business; Mr. Groothoff is manager of the foreign department.

Mr. Cook is a Director of La Financiadora Nacional, S. A., Caracas; Mohawk Rubber Co. and Willcox & Gibbs Sewing Machine Co. He served in the U. S. Navy during World War II and was with Lehman Brothers until joining Kidder, Peabody in 1951.

Mr. Groothoff was educated in Chile and Germany. He has been with Kidder, Peabody since 1949 and before that spent 14 years with the securities firms of G. M. P. Murphy & Co. and Hornblower & Weeks.

Mr. Raff joined Kidder, Peabody in 1936. He served in the U. S. Army, 1943-46.

Mr. Witt, an alumnus of Columbia and New York universities, has been with Kidder, Peabody since 1937, except for 1943-45 when he was in the U. S. Navy.

Withdraws From Ohrstrom

Banker and industrialist Merrill Stubbs has announced that he is retiring as a partner of a major New York banking house and will continue his activities as an executive of several companies and chairman of others. He is severing his active association only with G. L. Ohrstrom & Co., New York.

He continues as an officer and director of firms in Pasadena; Washington; Louisville; Redwood City, Calif.; Memphis; Chatham, Ontario; Tulsa; Cincinnati; Compton, Calif., and Chicago.

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What Business Should Do to Curb Inflation, Instability

tations are well-founded. Their report anticipates an increase of about $2 billion in business capital expenditures; a billion dollar increase in housing; and a $7½ billion increase in output stemming from the turnaround in inventory policy, from liquidation in 1958 to stock-building in 1959. The report also predicts an increase in buying at all levels of government amounting to over $7 billion, and a substantial increase of $16 billion in consumer expenditures. Because of these increases in purchases, total national output is likely to rise about $34 billion above the 1958 figure, to produce a Gross National Product for the full year 1959 of between $470 and $475 billion. The annual rate by the end of the year may well reach $480 billion.

These national projections do not provide an index to the activity in individual sections of the country. Obviously, some sections will do better than others, and the South will contribute far more than its share. Since 1940, total employment has grown twice as fast in the South as in the North; personal income, bank assets, and value added by manufacturing have also increased much more rapidly in the South. The South alone has an abundance of virtually all the raw materials that provide fuel for the Age of Chemistry, which will make the South the progress capital of the country for the next century. Recessions and economic adjustments are likely to be felt less acutely here, just as this last one very nearly missed the South altogether; and growing prosperity is likely to be felt more strongly here than anywhere, except, possibly, in some sections of the West.

Even though the South has a definite edge on the rest of the country, prosperity is not guaranteed here or anywhere else. The very optimism which these projections generate could prove our undoing, by making it seem that success will inevitably be achieved without any conscious effort, that recessions and adjustments are as easy to get out of as they are to get into.

Pace of Recovery

Our recovery from the most recent business setback in late 1957 and early 1958 does seem deceptively simple. Even though the business decline was sharp, the recovery was vigorous, and the duration of the recession was less than in either of the two previous postwar setbacks. Consumer spending remained high throughout the adjustment, housing came close to setting all-time records, and non-residential construction was also very strong. The economy survived so well, in fact, that total sales in 1958 were actually slightly ahead of 1957.

I recall that last February I expressed the view that the recovery would begin early in the Spring and would be rapid. At the time, my remark attracted widespread attention as something of a curiosity—many people considered that hope of an early revival was wishful and unrealistic. Now that the advance has occurred and we are again anticipating a new round of prosperity, I am afraid thinking is swinging to the opposite extreme — to a belief that prosperity is automatic, so that there is no need to review the mistakes of the past.

What Business Should Do

Just as we have a tendency to dismiss too hastily the lessons which could be learned from a business recession, so we are also prone to forget the danger of inflation as soon as a shortlived period of price stability is achieved. In connection with both these problems, we are too quick to assume that it is the government's responsibility to work out a solution without asking ourselves what we as businessmen can do about it. Let me suggest some things which businessmen can and should do to help achieve both output stability and price stability.

Our primary responsibility for output stability is to improve the process of business planning so that inventory policy and plant and equipment policy can go forward more smoothly and with less emotional boom and cutback than has been true in the past. A review of postwar recessions shows clearly that variations in business expenditures have been a major cause of these periodic adjustments. Businessmen are carried away by a boom. They fail to keep reasonable check on inventories. They overestimate plant requirements. During recessions, they go to the opposite extreme, slashing inventory to unreasonably low levels, and abandoning sound long-range plant and equipment programs. Business profits, as well as overall economic stability, suffer from this emotional approach to business expenditure programs. The coming period of prosperity can be prevented from developing into another such cycle of boom and bust only if businessmen consciously apply the lessons we can learn from our past mistakes.

An even more difficult problem, yet one for which we must find a solution if we are to prevent a serious economic breakdown, is the problem of chronic inflation. Inflation, over the long pull, is the most serious economic threat facing us. It is particularly insidious because its symptoms are often disarming and deceptive. For example, the Gross National Product of the United States stated in current dollars rose from $419 billion in 1956 to $440 billion in 1957—an increase of $21 billion, or over 4%.

Standard of Living Decline

Yet when this illusion of a prosperous and advancing economy is adjusted for price change, the real increase in our national output turns out to have been $5 billion, or 1%. Inasmuch as the population of the United States rose by almost 2% during this period, it is clear that the real standard of living of our people was declining despite the external appearance of prosperity.

It is generally realized that inflation produces economic injustice, and that rapid inflation frequently leads to complete economic collapse. It has been argued, however, that a little inflation is not really so bad and may in fact have a tonic effect on the economy. As long as inflation does not proceed at a galloping pace, so the argument goes, we should accept it because the supposed advantages outweigh the disadvantages. It would be pleasant if we could dismiss all our economic problems in this fashion, simply by pretending that the problems do not exist in the first place. Unfortunately, there are a number of things wrong with this superficially happy analysis.

First, it is certain that inflation will become galloping the moment we stop fighting it. Prices have risen an average of 4% a year from the end of World War II in spite of all we have done to try to stabilize them. If we now accept inflation as rather a good thing, this 4% rate could quite easily become 5, 6, or 7% a year. Would it still be argued that the advantages outweigh the disadvantages?

Second, it is not this easy to dismiss the serious plight of all those who have weak bargaining positions and are unable to force increases in their own incomes in order to keep pace with inflation. Can we simply explain to the pensioners, widows, insurance beneficiaries, and all others on relatively fixed incomes—and they include a large percentage of all workers—that we are not concerned about inflation because, although they are seriously hurt, there may be others who may gain from inflation?

Nor is it true that injustice is done only to the retired. Inflation is becoming more and more the device through which the most monopolistic labor unions enhance their economic position at the expense of less strongly entrenched workers. Workers today wring concessions primarily not from capital, but from their fellow workers. The existence of a profit margin has too long been used by labor spokesmen to obscure the fact that wage increases in excess of productivity gains mean that the capacity to buy real goods and services is being taken away from one group of workers and given to another group. With profit margins reduced on the one hand by rising costs and on the other hand by heavy taxes, wage increases in excess of productivity gains can be paid only by consumers through higher prices. Inflation thus becomes the means through which the more powerful labor groups take real purchasing power away from less powerful workers.

Finally, I reject the inflationist argument because it is based at bottom on a philosophy of despair. The underlying assumption in this argument is that it is impossible to achieve a high level of output and employment and at the same time succeed in holding reasonable stability of prices, so that we must choose one or the other. We must surrender to inflation if we wish to keep the economy going. I do not accept this assumption. If we are determined to achieve both high employment and stable prices, and place equal importance on both, we have the brains to figure out how to do it within the framework of the free enterprise system.

What can we as businessmen do to curb inflation?

Curbing Inflation

For one thing, we must be willing to accept a restrictive credit policy on the part of the Federal Reserve during periods of boom and rising prices. It is never pleasant to have to put up with credit restraint. Lenders would like to have more money to meet the strong demand which is characteristic of boom times, and every borrower is sure that his particular need is in the social interest. But it is during these boom times that the seeds of recession are sown. At such times a restrictive credit policy is necessary to prevent inventory and plant excesses as well as to help toward holding the line on prices.

For another thing, we can redouble our efforts to increase efficiency and step up productivity. The success of our economic system over the years has been due importantly to the willingness of American businessmen to accept, and actively to search out, new ideas and new techniques. Research, development, and planning have moved ahead rapidly in the postwar years, but the pressure is relentless for still more productive operations. Industrial development throughout the rest of the world is presenting us with much keener competition in foreign markets, and the production contest with Russia involves much more than economics. Rapid increases in output per man are needed both to support a rising standard of living at home and to help maintain competitive prices for our products in world markets.

Next, wherever possible, we should seek to secure an adequate return on capital through volume operations at moderate per unit profit margins. I do not believe this is merely a counsel of perfection; I believe much can be done in this area. The steady demand by labor unions for wage increases in excess of productivity gains makes it virtually impossible to pass along to the consumer a share in rising productivity. Despite the admitted difficulty presented by the upward pressure of costs, we should be on the alert for opportunities where a reduction in prices of some lines will result in a greater volume of sales and thus serve consumers without impairing adequate return on capital.

Finally, a contribution which we as businessmen can make toward stable prices is to work steadily for more effective competition both in labor and in business. The exemption of labor unions from much of the scope

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What Business Should Do to Curb Inflation, Instability

of the anti-trust laws was designed initially to enable them to implement their essentially weaker position when bargaining with large business corporations. Today the pendulum has swung to the opposite extreme. The vesting of monopoly power in any private group, whether business or labor, invariably carries with it a potential threat to the public interest. When government has seen fit to assign exclusive rights to business, as for example in some types of utilities, it has hedged these rights with extreme care to ensure that they are used for the public good. The protection of union members themselves, as well as the social interest, requires some application of the anti-trust laws or other restraints to labor monopolies.

Competition needs to be revitalized in business as well as in labor. Apart from its basic function as a regulator in the economy, competition is necessary in our type of economic system because it prevents hardening of business arteries. Obsolescence of product and obsolescence of management are not rare in American industry. In my industry — insurance — we run into it more often that I wish were the case. Take as an example the Family Policy, which was an invention in the insurance field — one that was created to meet a great and growing need, one that is now marketed by all major companies, and accounts for a very large share of the total insurance sold. Some of the oldest and largest insurance organizations fought the policy fiercely until they learned, the hard way, that the people wanted it, liked it, and insisted upon buying it.

We are still encountering active opposition from a few oldline companies on Variable Annuities, a type of retirement plan which provides at least the chance of some protection against possible future inflation. Detailed research has shown that at no time in the past—even in the depression—would a variable annuity policy such as we envisage have proved an unwise retirement plan; but it is different, it is not traditional, and it represents a new approach. Unfortunately, this not something we can move ahead on, as we did on the Family Policy. We need approval by the New Jersey Legislature, and the pressure of the opposition so far has kept the issue from going to the floor for a vote.

But our industry is not alone in bucking new trends. If we are to keep the consumer's interest, all of us are going to have to guard against obsolescence of management. And there is reason to believe that, with consumer discrimination growing, 1959 may have some surprises in store for managements that take consumers for granted.

Summary

To summarize, let me say once again that we have a chance in 1959 to move forward — a better chance than we have had in several years. We have recovered rapidly from the business setback of early 1958, and the outlook for the coming year is excellent. But we have also had demonstrated once again that there are major economic problems for which we still have not found a solution.

One of these is the problem of strong boom followed by sober readjustment. Business policies have contributed to these undesirable swings in output, and businessmen have a responsibility to reexamine their inventory policies and their plant and equipment policies in order to develop programs which are less emotionally based and more conducive to stable operations.

An even more important problem which needs the study of every businessman is the problem of chronic inflation. The government has demonstrated its inability thus far to come up with an effective solution, perhaps from its very nature in a republic. There appears to be no other large group which is sufficiently concerned with the social interest and the success of our economic system to be willing to devote its efforts to a solution. It is therefore up to us as businessmen to take direct action to meet this problem. We must redouble our efforts to pass along some of the fruits of rising productivity to the consumer in the form of lower prices. We must renew our belief in the basic necessity of free competition even when it makes our immediate business problems more difficult. I think we will be surprised how frequently the strengthening of competition turns out to be a blessing rather than the difficulty we imagine it to be. And we may also be surprised at some of the difficulties which we invite when we seek government as a regulator in the place of competition. Finally, we must work toward more imaginative product development, greater willingness to accept new ideas, and an intensified effort to step up productivity.

Our economic problems — particularly the problem of inflation —are not simple. Their solution will require the best brains and the most thoughtful study we can bring to bear. In the years ahead, I am confident that the business community will take the lead in the further improvement of an economic system which so far has proved the most rewarding in the world.

Kaiser Industries Common Stock Sold

The First Boston Corp., Dean Witter & Co. and Carl M. Loeb, Rhoades & Co., headed a nationwide group of underwriters that offered publicly on Jan. 13 an issue of 500,000 shares of Kaiser Industries Corp. common stock (par $4) at $13.12½ per share. This offering was oversubscribed and the books closed.

The stock is presently outstanding and was sold on behalf of certain selling stockholders; no proceeds accrue to the company. After the sale of these shares, the Kaiser interests will continue to own 18,023,028 shares, or 78.8% of the company's common stock.

Kaiser Industries has direct and indirect controlling interests in a number of affiliated companies, the more important of which are: Kaiser Steel Corp. (80%-owned); Kaiser Aluminum & Chemical Corp. (45%-owned); and Permanente Cement Company (39%-owned). Those investments had an aggregate market value on Jan. 9, 1959, of $471,319,000. Henry J. Kaiser Co., which conducts an engineering and construction business in this country and abroad, and Willys Motors, Inc., a manufacturer of Jeep vehicles, are both wholly-owned.

Forms Amer. Investments

CLINTON, Md. — William E. Reid is conducting a securities business from offices at 4 San Juan Drive under the firm name of American Investments. Mr. Reid is with Mutual Funds of America.

$75 Million Issue of Ontario Debentures Offered to Investors

Public offering of $75,000,000 Province of Ontario (Canada), 25-year 4¾% debentures, dated Feb. 1, 1959 and due Feb. 1, 1984, at a price of 98.50% and accrued interest, was made on Jan. 14 by an underwriting syndicate jointly managed by Harriman Ripley & Co., Inc., and Wood, Gundy & Co., Inc.

Net proceeds from the sale of the debentures are to be advanced by the Province of Ontario to The Hydro-Electric Power Commission of Ontario pursuant to a request from the Commission to the Province for an advance of funds for the purposes of the Commission. These funds will be added to the Commission's cash resources which will be utilized among other things, for capital expenditures in connection with its present capital construction program and to repay temporary loans of the Commission outstanding at the time of the advance. The Commission estimates the cost for the year 1959 of the present capital construction program at about $196,000,000. It is contemplated that temporary loans will be outstanding in an amount of between $12,000,000 and $18,000,000 before the proceeds of the debentures are to be advanced to the Commission.

The debentures are direct obligations of the Province of Ontario and principal of and interest on the debentures will be payable in currency of the United States. Income tax presently imposed by the Canadian Government will not be payable in respect of these debentures or the interest thereon by owners who are non-residents of Canada.

The $75,000,000 of debentures are to be redeemable on and after Feb. 1, 1969, in whole or in part by lot, at the option of the Province of Ontario, at redemption prices ranging from 103½% to par, plus accrued interest.

The Province of Ontario is the second largest in area of the Canadian provinces, covering about 413,000 square miles. Its estimated population at June 1, 1958 was 5,803,000 and represented about 34% of Canada's total population. The wealth of Ontario is derived mainly from manufacturing, mining, hydro-electric power generating, agriculture and forestry, construction and fishing and trapping. The gross value of manufactured products within the province aggregated about $10.8 billion in 1957, almost half the total for all of Canada in that year. For over 40 years Ontario has been the leading province in the output of minerals.

As of Oct. 31, 1958, the total direct public debt of the province aggregated $1,653,356,892, of which $1,387,683,500 was funded debt, $265,673,392 unfunded debt.

Form Getz Mutual Funds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Getz Mutual Funds Sales, Inc. has been formed with offices at 640 Sacramento Street to conduct a securities business. Officers are Nathan Most, President; James H. Whitman, Vice-President; Trevor R. Geddes, Treasurer; and John E. Troxel, Secretary.

Midland Investors Open

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio — Midland Investors Company has been formed with offices at 52 East Gay Street to engage in a securities business. Officers are Robert S. Jones, President; William W. Ellis, Jr., Secretary & Treasurer.

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News About Banks and Bankers

charter and title of The Union National Bank of Pittsburgh.

* * *

THE CONNECTICUT BANK AND TRUST COMPANY, HARTFOROD, CONN.

	Dec. 31,'58	Sept. 24,'58
	$	$
Total resources	416,378,159	363,342,555
Deposits	375,524,646	314,923,744
Cash and due from banks	97,764,195	76,897,329
U. S. Govt. security holdings	88,621,134	70,550,296
Loans & discounts	164,750,849	145,921,027
Undivided profits	5,376,324	5,866,670

* * *

The election of Earl N. Felio to the board of directors of **The First National Bank of Jersey City, N. J.** was announced by Kingsbury S. Nickerson, President.

* * *

NEW JERSEY BANK AND TRUST CO. PATERSON, N. J.

	Dec. 31,'58	*Dec. 31,'57
	$	$
Total resources	286,874,791	287,154,842
Deposits	262,268,974	260,927,393
Cash and due from banks	46,251,729	55,268,907
U. S. Govt. security holdings	63,162,664	65,279,577
Loans & discounts	61,738,701	57,490,503
Undivided profits	3,462,701	4,629,797

*Combined figures of County Bank and Trust Co. and Passaic-Clifton National Bank and Trust Co.

* * *

THE PHILADELPHIA NATIONAL BANK PHILADELHPIA, PA.

	Dec. 31,'58	Sept. 30, '58
	$	$
Total resources	1,105,478,208	1,052,381,261
Deposits	994,955,654	942,756,148
Cash and due from banks	331,981,375	269,406,634
U. S. Govt. security holdgs.	203,916,085	226,073,545
Loans & discts.	439,556,456	431,064,521
Undiv. profits	13,846,253	13,357,039

* * *

The Munsey Trust Company, Washington, D. C., with common capital stock of $1,250,000, has gone into voluntary liquidation by a resolution of its shareholders dated Nov. 24, 1958, effective Dec. 26, 1958.

Liquidating Committee: Warren R. Forster, Anthony J. Byrne and Frank J. Luchs, care of the liquidating bank.

Absorbed by: **Union Trust Company of the District of Columbia, Washington, D. C.**

* * *

Major executive officer changes at **The Bank of Virginia, Richmond, Va.,** will be made on April 1, according to an announcement Jan. 10.

Thomas C. Boushall, bank founder and President since its organization in 1922, will become active Chairman of the Board of Directors and Chairman of the Executive Committee on that date.

Herbert C. Moseley will be advanced from Executive Vice-President to President and assume the duties of Chief Executive Officer at the same time.

* * *

The election of three Vice-Presidents and an increase in responsibilities for another Vice-President were announced by Loring L. Gelbach, Chairman and President, **Central National Bank of Cleveland, Ohio,** following a meeting of the bank's Board of Directors on Jan. 8.

J. A. Gelbach and E. E. Steehler were elected Vice-Presidents and Walter F. Lineberger, Jr., was named a Vice-President and will join the bank on Feb. 1. In addition, J. R. Wilson, a Vice-President, was appointed to direct the correspondent relationships with banks in Ohio and Western Pennsylvania.

J. A. Gelbach, who has been a member of the Central National staff since August, 1956, will serve as the head of the Ohio Division of the Commercial Banking Department. Prior to joining Central National, Mr. Gelbach had previous banking experience at the **First Wisconsin National Bank of Milwaukee.**

E. E. Steehler joined Central National in 1942 following 10 years experience with the **Federal Reserve Bank of Cleveland.**

J. R. Wilson had extensive banking and financial experience before joining the bank in 1943. He has been an officer in the Ohio Division since 1949 and is widely acquainted in banking circles throughout the state and in Western Pennsylvania.

* * *

Merger certificate was issued approving and making effective, as of the opening of business Jan. 2, the merger of **First National Bank of St. Clairsville, St. Clairsville, Ohio,** with common stock of $100,000, into **The Bridgeport National Bank, Bridgeport, Ohio,** with common stock of $200,000. The merger was effected under the charter of **The Bridgeport** National Bank and under the title **Belmont County National Bank, St. Clairsville.**

* * *

The Directors of **Society National Bank, Cleveland, Ohio,** and the Trustees of **Society for Savings, Cleveland, Ohio,** have approved the unification of these two banks into one large bank with total resource of over $390,000,000, Mervin B. France. Society President, announced.

Effective at the close of business Dec. 31, 1958, one bank, Society National Bank of Cleveland, will serve the hundreds of thousands of Society customers. The same directors, officers, and staff will continue to serve customers.

* * *

SOCIETY NATIONAL BANK OF CLEVELAND, OHIO

	Dec. 31,'58	*Dec. 31,'57
	$	$
Total resources	391,911,461	382,734,350
Deposits	352,917,001	345,076,373
Cash and due from banks	34,861,588	35,064,910
U. S. Govt. security holdings	95,797,589	93,498,670
Loans & discounts	204,871,261	203,533,082
Undivided profits	1,326,182	692,078

*Figures include Society for Savings in the City of Cleveland which was merged with the Society National Bank effective Dec. 31, 1958.

* *

Burton A. Miller has been ap-

pointed Vice-President in Charge of the Trust Department of **The National City Bank of Cleveland, Ohio**, Sidney B. Congdon, Chairman, and Francis H. Beam, President, announced. He succeeds William L. West, who has resigned.

Mr. Miller has had extensive experience in banking and investments. He joined Natioinal City early in 1952 as Vice-President in Charge of the Investment Division of the Trust Department.

* * *

The West Baden National Bank, West Baden Springs, Ind., with common stock of $50,000; and **French Lick State Bank, French Lick, Ind.**, with common stock of $50,000 have consolidated. The consolidation was effected under the charter of The West Baden National Bank and under the title **The Springs Valley National Bank, French Lick, Ind.** Effective as of the close of business Dec. 31.

* * *

AMERICAN TRUST COMPANY
SOUTH BEND, IND.

	Dec. 31, '58	June 30, '58
Total resources	$27,199,110	$25,508,145
Deposits	24,915,929	23,258,952
Cash and due from banks	7,200,429	7,139,700
U. S. Govt. security holdings	10,096,812	8,850,220
Loans & discounts	9,134,456	8,662,118
Undivided profits	493,799	448,189

* * *

Following the annual meeting of the Board of Directors of **The First National Bank of Chicago, Ill.**, Homer J. Livingston, President, announced the promotions in the Bank's official staff and the election of new officers.

J. Russell Hanson, in Division D in the Commercial Department, and Lucian B. Wilkinson, of the Trust Department, Assistant Vice-Presidents, were elected Vice-Presidents.

* * *

CONTINENTAL ILLINOIS NATIONAL BANK & TRUST CO., CHICAGO, ILL.

	Dec. 31, '58 $	June 30, '58 $
Total resources	2,857,982,123	2,795,753,374
Deposits	2,555,170,750	2,502,144,954
Cash and due from banks	795,138,882	642,873,800
U. S. Govt. security holdgs.	816,618,524	945,291,975
Loans & discts.	1,066,113,632	1,006,654,184
Undiv. profits	36,277,613	27,995,104

* * *

Farmers National Bank of Fairbury, Ill., changed its title to **National Bank of Fairbury**, effective Jan. 2.

* * *

Guy E. Reed, retired Executive Vice-President and Director of **Harris Trust and Savings Bank, Chicago, Ill.** died Jan. 2 in Northbrook, Ill. as a result of a heart attack. He was 68 years old.

Mr. Reed retired at the end of 1955 as Executive Vice-President of Harris Bank, and left the Bank's Board in 1957. After six years with the **First National Bank of Lincoln, Neb.**, he joined Harris Bank in 1923. He was elected a Vice-President of the Bank in 1928, Director in 1946, and Executive Vice-President in 1950.

* * *

THE DETROIT BANK & TRUST COMPANY, DETROIT, MICH.

	Dec. 31, '58 $	June 30, '58 $
Total resources	954,939,603	979,167,341
Deposits	868,916,313	897,379,387
Cash and due from banks	156,777,023	167,360,792
U. S. Govt. security holdings	346,225,378	367,562,952
Loans & discounts	195,799,885	328,065,940
Undivided profits	10,096,214	12,516,180

* * *

THE NATIONAL BANK OF DETROIT, MICHIGAN

	Dec. 31, '58 $	Sept. 30, '58 $
Total resources	1,946,927,305	1,910,380,284
Deposits	1,766,260,560	1,688,631,089
Cash and due from banks	392,538,461	387,098,594
U. S. Govt. security holdgs.	660,681,069	652,676,680
Loans & discts.	673,127,960	651,900,602
Undiv. profits	29,007,682	27,024,587

* * *

The common capital stock of the **First National Bank in Mount Clemens, Mich.**, was increased from $500,000 to $625,000 by a stock dividend, and from $625,000 to $750,000 by the sale of new stock, effective Jan. 2 (number of shares outstanding—30,000 shares, par value $25).

* * *

The National Manufacturers Bank of Neenah, Wis., increased its common capital stock from $300,000 to $375,000 by a stock dividend and from $375,000 to $450,000 by the sale of new stock, effective Dec. 23. (Number of shares outstanding—45,000 shares, par value $10.)

* * *

Ted J. Welch was elected President to succeed Frank C. Welch, who continues as Chairman of **Peoples Bank & Trust Company, Cedar Rapids, Iowa.**

* * *

The Board of directors of the **First National Bank of Omaha, Neb.**, announces the election of John M. Harding as Trust Officer.

* * *

The common capital stock of **The First National Bank of Lincoln, Neb.**, was increased from $2,000,000 to $2,100,000 by a stock dividend, and from $2,100,000 to $2,300,000 by the sale of new stock, effective Dec. 24 (number of shares outstanding — 115,000 shares, par value $20).

* * *

The common capital stock of **Utica Square National Bank of Tulsa, Okla.**, was increased from $480,000 to $600,000 by the sale of new stock, effective Dec. 24. (Number of shares outstanding—40,000 shares, par value $15.)

* * *

Four officers of **First National Bank in St. Louis, Mo.**, were advanced to higher positions by the Board of Directors on Jan. 6 according to William A. McDonnell, Chairman of the Board.

Lester A. Craig, Assistant Vice-President, real estate department, was elected Vice-President.

Mr. Craig joined First National's staff in 1922. He was promoted to Assistant Cashier in 1950 and to Assistant Vice-President in 1952.

* * *

Elected to the Board of Directors of **Bank of St. Louis, St. Louis, Mo.**, were James Meredith and Jack Minton, Vice-President of Bank of St. Louis.

* * *

The First National Bank of Kansas City, Mo., increased its common capital stock from $5,000,000 to $7,500,000 by a stock dividend, effective Dec. 30 (number of shares outstanding—300,000 shares, par value $25).

* * *

CITIZENS FIDELITY BANK AND TRUST COMPANY, LOUISVILLE, KY.

	Dec. 31, '58 $	June 30, '58 $
Total resources	285,160,587	247,420,883
Deposits	261,944,530	225,716,475
Cash and due from banks	92,912,460	82,077,209
U. S. Govt. security holdings	74,128,953	50,875,959
Loans & discounts	105,639,609	105,228,310
Undivided profits	2,620,470	2,567,933

* * *

THE SECOND NATIONAL BANK ASHLAND, KY.

	Dec. 31, '58	Dec. 31, '57
Total resources	$32,150,919	$32,115,873
Deposits	29,148,477	29,397,811
Cash and due from banks	7,747,189	7,708,090
U. S. Govt. security holdings	9,225,966	7,991,081
Loans & discounts	12,047,593	11,514,306
Undivided profits	486,045	307,895

* * *

The board of directors of **The Fulton National Bank of Atlanta, Atlanta, Ga.**, announces the election of Clarence Haverty as Honorary Chairman of the Board, Pope F. Brock as Chairman, Board of Directors, William V. Crowley as Vice-Chairman of the Board, and Gordon Jones, President and Chief Executive Officer.

* * *

Solon B. Turman was elected to the board of directors of the **Hibernia National Bank in New Orleans, La.**

He succeeds R. G. Robinson, who died recently.

The appointment of Mr. Turman was announced by Wallace M. Davis, President of the Hibernia National Bank, after a regular meeting of the board of directors.

* * *

Oscar C. Lindemann has been elected a Vice-President of **National Bank of Commerce, Dallas, Texas.**

* * *

By a stock dividend, the **Citizens National Bank & Trust Company of Baytown, Tex.**, increased its common capital stock from $300,000 to $500,000, effective Dec. 31 (number of shares outstanding —5,000 shares, par value $100).

The Denver National Bank, Denver, Colo., with common stock of $3,500,000 and the **United States National Bank of Denver, Denver, Colo.**, with common stock of $3,300,000 have merged, effective as of the close of business Dec. 31. The consolidation was effected under the charter of the Denver National Bank and under the title **Denver United States National Bank.**

* * *

O. S. Aultman, 53, Vice-President of **California Bank, Los Angeles, Calif.** and one of the nation's outstanding authorities on bank operations, died on Dec. 30 following a lengthy illness.

* * *

The Bank of Montreal, Montreal, Canada announced on Jan. 6 that Harold C. F. Mockridge, Q. C., has been elected a Director of the Bank. Mr. Mockridge is a Director of the **Royal Trust Company.**

* * *

H. D. Thompson of Mandeville, Jamaica, and Henry Tiarks, London, England, have been elected directors of the newly-formed **Bank of London and Montreal Ltd.**, it was announced by Gordon R. Ball, who is Chairman of BOLAM and also President of the **Bank of Montreal.**

BOLAM is owned jointly by the Bank of Montreal and the **Bank of London and South America Ltd.** Its head office was opened here last October and the new bank controls a network of branches in Central America, Colombia, Ecuador and Venezuela. BOLAM plans to establish branches in Jamaica and Trinidad this year.

* * *

National Overseas and Grindlays Bank Limited has changed its name to **National and Grindlays Bank Limited, London, England.**

* * *

The Directors of **Midland Bank Limited, London, England**, announce that they propose to recommend to the shareholders at the Annual General Meeting in February next the capitalization of £5,385,237, at present part of the Reserve Fund, by paying up in full 5,385,237 of the unissued £1 shares and distributing them free to shareholders in the ratio of one additional £1 share for every three held. They would be allotted to shareholders on the Register on Jan. 5. If the capitalization is approved the Directors intend to make transfers from Contingency Reserves to the Published Reserve Fund of £5,385,237, the amount to be capitalized.

* * *

The Board of Directors of **Bank of Hawaii** announced plans for the construction of an eight story building adjacent to the present Head Office building at King and Bishop Streets. Work is expected to begin in early March, and be completed in late 1959.

Paine, Webber Branch

SAN DIEGO, Calif. — Paine, Webber, Jackson & Curtis has opened a branch office in the Orpheum Theater Building under the management of Thomas M. Cunningham.

Bank and Insurance Stocks

By ARTHUR B. WALLACE

This Week — Insurance Stocks

The year 1958, while not the worst in recent history in the fire-casualty insurance industry, will, nevertheless, go into the annals as an extremely bad underwriting year, with 1957 and 1956 only as worse periods. The insurance industry, as is so with all others, of course has its ups and downs; but the recurrent poor periods usually have some off-sets such as a few of the bigger lines turning in good results. In this recent downtrend in underwriting, the losses seemed to crowd in on the carriers from all directions. There were only a handful of lines that performed relatively satisfactorily; most of them were just plain bad. Many of the customarily profitable companies showed red ink.

But 1958, while, as indicated, will go down as a poor underwriting year, it will probably have been the year of a decided turn for the better. Insurance companies fairly regularly have several years of good underwriting, which lead to downward rate adjustments by the state supervisory services. Then the lower rates (often coupled with other factors such as high fire losses, or a hurricane) bring about sufficiently bad underwriting results to justify the companies going to the commissioners for an upward adjustment of rates.

Insurance companies, being corporations, have no votes. Hence, if they petition a politically-minded state insurance commissioner they do not fare so well in their bids for more realistic rates, rates that will be somewhat in consonance with changing conditions in the industry. This failure of state departments to make allowance for strongly adverse industry conditions even resulted in the companies appealing to the courts for relief recently.

But happily the underwriting tide has been turning. For example, fire losses which in 1957 had crossed $1 billion, an all-time high, appear now to be flattening out. In the 12 months through October, 1958, they were only about 1.7% above the like preceding 12 months. In the calendar year 1957 they were 3.7% above 1956. After having experienced several quite unprofitable years the fire line is doing better. Rate increases have helped. This is a line in which many policyholders are remiss so far as adequate coverage is concerned. Residence values continue to increase, but most property owners are slow to increase the amount of coverage more-or-less to conform with the increased values.

Package policies are another item that in many cases are costly to the companies, as they contain additions that, in some cases, are thrown in gratis, but which, in cases of loss, can plague the carriers. It can be a moot question whether the benefits (to the carrier) of package policies outweigh the drawbacks.

With no hurricanes, and with not too much incidence of tornado and allied lines, above average, extended coverage turned in a good showing. This is the line, it will be remembered, that cut so deeply into prospective underwriting profits from 1951 on (excepting only one year). It is a potential troublemaker, as windstorms, such as the unusually severe one around the first of this year are always a threat, and extended coverage covers a multitude of potential losses.

For example, in the recent windstorm in the Northeast many buildings had sizable losses of roofing. It is true that the deductible clauses which put the initial cost of a loss on the property owner protect the insurance companies from small claims; but costs of building repairs are such today that it does not take much of a loss for the writer of the policy to be counted in on the loss. But it is excellent news that the line did so well relatively in 1958.

Several of the larger volume automobile lines will wind up in the red again, but not with the serious losses that were incurred in the preceding years of this in these lines. Auto bodily injury is the present bad spot. Alfred M. Best Co. point out that in the past 10 years "inflation has increased the average claim cost by 87%" and they might also have noted the scandalous increase in jury awards, not alone for claims on this line, but elsewhere among the multiple-line list.

We are therefore, disposed to feel that with more rate increases and older ones being more productive as time passes, the last three calendar years will have been found to be the worst in upward of two decades; but that a definite turn for improved underwriting results now appears to be in order.

Now With Bear, Stearns

(Special to THE FINANCIAL CHRONICLE)

CHICAGO, Ill. — Paul M. Schoessling has become associated with Bear, Stearns & Co., 135 South La Salle Street. Mr. Schoessling, who has been in the investment business for many years, was formerly with Reynolds & Co. and the Municipal Bond Corporation.

Sterling, Grace Admits

Sterling, Grace & Co., 50 Broad Street, New York City, members of the New York Stock Exchange, announced that Gaines Gwathmey, Jr. has been admitted to general partnership in the firm.

Forms Polk Inv. Co.

LAKELAND, Fla. — Samuel P. Pace is engaging in a securities business from offices at 52 Lake Hunter Drive under the firm name of Polk Investment Co. Mr. Pace was formerly with Douglas E. Bark & Co.

Continued from page 10

The Outlook for Business

surprising to see business investment in plant and equipment increased during 1959. In the first place the managers of some businesses may conclude that plant and equipment purchased in 1959 will be a bargain, relative to the cost of such facilities at a later date, and that it is better to anticipate capacity requirements than to be caught short of capacity if the demand for the products produced is increased more than is expected. Other capital investment sometimes is made by enthusiastic businessmen who possess funds and miscalculate consequences of investing these. For these reasons we may find that investment in facilities actually will be increased in 1959. In the present, however, I prefer to defer raising my estimates of such expenditure until more definite evidence is available which would support such an expectation.

The outlay for residential construction is a fourth major category of variable expenditure. For a number of years variation in the volume of expenditure for residential construction has been determined largely by change in the funds made available for this purpose by the political authorities. I see no reason to assume that this practice will not be continued. I presume the Federal funds again will be made available in 1959, and that some additional expenditures for residential construction will be made. Possibly an increase of a nominal billion dollars should be allowed for the change in this item.

Cloudy Auto Picture

My fifth category consists of expenditure for automobiles. I am assured by my better-informed friends in the automobile industry that the number of passenger cars to be produced and sold in the current model year cannot be appraised with much precision until the latter part of February or March. It seems obvious, however, that the sales of passenger cars produced in this country probably will be larger in 1959. At this time we may assume that more than five and possibly close to six million passenger cars of domestic and foreign origin will be purchased by American buyers in 1959.

This completes my review of the prospects for change in those major categories of expenditure which are varied over the course of the business cycle. The aggregate net increase in the estimates totals $17.2 billion and may be larger in practice. This compares with a change in these categories of $18.7 billion in 1955. The change in expenditure will be larger or smaller—depending upon the nature of action which is undertaken during the course of next year. Assuming, however, that this is an acceptable allowance for anticipated change in these categories we may examine the outlook for consumer expenditure for goods other than automobiles.

An increase of $17 to $18 billion in the major categories of variable expenditure will increase gross income by an equal amount. The combination of increased income and optimistic expectations, previously described, should result in a larger volume of retail trade—particularly, because it is apparent that credit will be available to consumers who wish to borrow. Again I do not think there is adequate evidence available to support an accurate estimate of the magnitude by which retail trade or consumer expenditure will be increased. Nor do I think it is necessary to develop such an estimate for practical purposes. An estimate that the volume of retail trade probably will be increased, in the circumstances defined, may be used as the basis for the management of practical affairs.

Estimates Corporate Profits

My next subject is corporate profits. I refer to net income after all tax liability has been deducted, because I never have been able to understand why a tax should be labeled a profit. The series provided by the Department of Commerce indicates that corporate profits in 1957 approximated $21.8 billion. In 1958 the comparable profits may approximate $17 to $18 billion. I am assuming that in 1959 corporate profits may be increased to a total of about $22 to $23 billion which were the magnitudes obtained in 1957 and 1955.

We have been impressed with the extent to which the management of manufacturing enterprise has been able to reduce costs in 1958. The reduction in the cost per unit of manufacturing output, however, has not been much different from that which was obtained in the recession of 1953-54. Furthermore, in using the concept of unit costs it should be recognized that, as production is reduced, a larger proportion of the labor force of a firm is engaged in the production of finished goods. In this way the volume of finished goods production is increased relative to the total outlay for employees. This peculiarity of costs during the recession produces the appearance of a much larger increase in output, with a given labor force than actually is the case. For a time considerable satisfaction may be expressed with the way in which productivity seems to be increased. This satisfaction can be forgotten when production again is increased and it is necessary to increase the inventory of semi-finished products.

A second consideration is the evidence that the average hourly earnings in manufacturing have been increased during 1958. This contrasts with the relative stability which obtained in the first nine months of 1954. I assume that the prospect of rising production and trade will encourage the development of increased wage demands and reduce the deterrents to their acceptance.

In the previous recovery of 1954-55 the rapid increase in wage rates seems to have been one of the important reasons why corporate profits were brought to approximately the high level of the entire recovery period before the end of 1955. If this previous experience is reproduced we may expect corporate profits to be brought to an approximate maximum in 1959.

These estimates of corporate profits are merely first approximations subject to readjustment. The estimates may be low. If this is the case I presume there will be time to raise them.

From the viewpoint of the investor the aggregate volume of corporation profits is not a matter of so much importance as are the profits of an industry or firm. I will leave the subject of the distribution of profits by industry to someone else, but intend to use the subject of aggregate corporate profits in my comment later on.

Outlook for Prices

So far in my discussion I have made no reference to the outlook for prices. In the present satisfaction is being derived from the idea that the Index of Consumers' Prices probably will be stabilized during at least the first part of 1959. This idea is developed from the estimate that food prices will be reduced with the consequence that a moderate increase in other components may be offset. This prospect seems reasonable and acceptable so far as it goes.

A second aspect of the price situation is that, during recent years the prices of the services, incorporated in the price indexes, have been increased more rapidly than have the prices for tangible goods. Recognizing this experience, a plausible explanation may be developed to the effect that the increase in consumers' prices during recent years has, in a large part, represented a phase during which the prices obtained for services have been increased to catch up with, or be readjusted to, the prices obtained for goods. By projecting this concept it may be assumed that we may be approaching a time in which the prices obtained for services will be stabilized. This probably is an idea which is worth considering but does not seem to be correlated with some of the important factors which are involved in the determination of prices.

A third aspect of the price situation may be outlined in the following terms. In 1946 a world-wide expansion of raw material production was begun. During subsequent years the production of raw materials, as a general category of product, was increased more rapidly than demand. For more than a year the supply of raw materials has been redundant and prices have been reduced. One consequence has been the development of the extremely favorable terms of trade enjoyed by industrialized countries. Another consequence has been the annual multi-billion dollar total of subsidies, grants and credits more available by the United States to assist in balancing the international accounts of other countries and to move American surpluses to the extent possible with the funds employed. What I am bringing to your attention is the world-wide decline in raw material prices which appears to be of more than cyclical importance. For these reasons, to the extent that raw material prices are of importance as a component of the general trend of prices, no substantial increase in the price level is to be expected. Please note the fact that I am talking in general terms and that experience with any particular commodity price in the raw material category may be quite different from that which I have described.

A fourth aspect of the price outlook is that is should be recognized that prices are monetary phenomena. The price of anything is expressed as a sum of money. The trend of prices can be determined by changes in spply-demand relationships, the use of monetary balances, the use of credit, changes in the monetary base, tax rates, and situations in which sellers are permitted to coerce buyers. Credit policy is an important factor. In our present situation the outlook for prices probably should be analyzed in terms of the quantity of monetary media to be issued by the political authorities, at the rate at which the prices paid for the services of employees are increased, and the competence with which credit policy is determined and managed. The personnel performing the latter function appear to be unsually competent and effective. The institutional situation in which they must operate, however, leaves a great deal to be desired. This fact has large implications concerning the outlook for prices.

I have stressed the fact that the estimates which have been presented are subject to adjustment as a consequence of events and actions which are yet to be determined. This statement should be amplified to include events and actions undertaken abroad. The American economy is neither self-contained nor unaffected by political and economic development abroad. I will not expand this statement but bring it to your attention as an important limitation to the degree of confidence which should be placed in current estimates of economic development in the United States during the next year. Furthermore, there are important aspects of the current recovery which should be recognized in appraising the outlook. These aspects are derived from the unusual manner in which recovery has been brought about.

Recovery Forces

In the first place the prompt and appropriate action undertaken by the Federal Reserve Board, during the early phases of the recession, prevented the developmnt of the pressure for liquidation which usually has been experienced during the recession phase of a business cycle.

A second development was the large increase in government expenditure during a period when private expenditure was reduced. In the third quarter of 1958 government expenditure, including transfers, interest and subsidies, was increased to an annual rate $11.7 billion larger than the magnitude obtained in the third quarter of 1957. Incidentally, Federal expenditure for national security actually was reduced to an annual rate $300 million less than that obtained in the same quarter of the previous year. In the same period private expenditure, including net foreign investment, was reduced by $12.9 billion. The increase in political expenditure, approximately offsetting the reduction in private outlays, and the anticipation of this, must be considered the primary reason why income receipts were so well maintained which, in turn, was the reason why retail trade was subject to only a relatively small reduction in the early months of the year, and actually has been increased by more than seasonal amounts since March. This is unusual cyclical experience.

No Longer Have a Market Economy

Viewing these developments broadly we seem warranted in assuming that the organization of our economy is being changed. We no longer are a market economy. We now possess some different form of economic organization which has no name, or description, or for which there is no generally accepted theory or understanding. For this reason, and because of the way in which the recession was aborted by political action, I do not think we can assume that cyclical development in the future wil be like that wihch may be expected to obtain in a market economy. In this connection I refer you to a talk given by Dr. Dwight W. Michener of the Chase National Bank at a meeting of fthe New York Chapter of the American Statistical Association in October. Dr. Michener noted that, in the recent past, the prices of goods and services were remarkably stable while credit policy, interest rates, equity prices and the volume of production were becoming subject to equally remarkable large fluctuations over the short term. He asked the questions, "Are we depending too much on credit policy? Are we trying to use it to make unpleasant adjustments unnecessary?" Please answer these questions for yourselves.

Another inference may be developed from an examination of the character of our recovery. This is the fact that it remains to be proven that the increase in Federal revenue, derived from the taxation of corporate and personal incomes, will produce funds large enough to finance the expenditure apparently required to maintain a satisfactory volume of production and trade. The question seems to be whether the "feedback" from government expenditure will be adequate to finance the expenditure made. To some persons, of course, this is not a problem, because it is assumed that continued borrowing by the political authorities is a necessary and desirable development. The problem is not new. What is new is the context or situation in which it will be resolved in one way or another.

In concluding my remarks may I remind you that the outlook for business is preordained to just about the same extent to which the market prices of your investments are predetermined. For this reason I reserve the privilege of changing the estimates in which I have the most confidence and perhaps you will want to do the same.

Form Pickman Inv. Co.

(Special to THE FINANCIAL CHRONICLE)

PALO ALTO, Calif.—Pickman Investment Company has been formed with offices at 555 Byron Street to engage in a securities business. Officers are Joseph F. Pickering, President, and David G. Hoffman, Treasurer.

With Walston & Co., Inc.

(Special to THE FINANCIAL CHRONICLE)

SALEM, Oreg.—John A. Goffrier is now associated with Walston & Co., Inc. He was formerly witht he local office of Zilka, Smither & Co., Inc.

R. D. Braverman Opens

WESTFIELD, N. J.—Richard D. Braverman is conducting a securities business from offices at 800 Forest Avenue. He was formerly with Shiff & Co.

Forms Henley Co.

SOUTH ORANGE, N. J.—Leonard L. Lefcourt is conducting a securities business from offices at 496 Mayhew Court under the firm name of Henley Co.

Mutual Funds

By ROBERT R. RICH

Bache & Co. to Market Shares Of New Fund

Formation of Investors Research Fund, Inc., a new open-end investment company with headquarters in Santa Barbara, Calif., was announced.

The new company will be a diversified fund whose investment objective will be designed to seek possible growth during market uptrends and protection of capital in declining markets.

At the same time, the new fund announced that it has filed a registration statement with the Securities and Exchange Commission in Washington, D. C., covering a proposed public offering of 490,940 shares of capital stock at a price to the public of $12 per share. Bache & Co. will serve as the principal underwriter.

Investors Research Company of Santa Barbara will be investment adviser to the fund. The research company has continuously published a regular weekly financial report since 1950 and since 1956 has managed "several millions of dollars" of private investment accounts, according to the registration statement.

John Robert Noble, general partner in Investors Research Company, is President and a director of the new fund.

Other officers and directors of the fund are: Jean Hall Caloudes, director, and General Partner, Investors Research Company; Michael A. Aquino, Secretary, Treasurer and director, and Senior Security Analyst, Investors Research Company since 1957, and prior to that time Registered Representative, Wulff, Hansen & Co.; T. Preston Webster, Vice-President and director, and Partner of Cavalletto, Webster, Mullen & McCaughey, Attorneys-at-Law, Santa Barbara; Charles Dager, director, and Partner Wolcott & Associates, Inc., Los Angeles; Anthony Guntermann, director, and Certified Public Accountant, Santa Barbara; Arthur A. Henzell, director, and Partner of Cavalletto, Webster, Mullen & McCaughey, Attorneys-at-Law, Santa Barbara.

"To carry into effect its purpose of continuous money management," the registration statement says, "the fund may be invested substantially or entirely in common stocks if the trend of such securities is up. On the other hand, if the trend of common stocks is down, and the relative trend in the worth of money is up, the fund may be invested largely in cash or cash equivalents such as short-term government bonds."

Keystone S-2 Share Value Rises 29%

Keystone Income Common Stock Fund (Series S-2) increased almost 29% in net asset value per share for the past fiscal year, according to the annual report for the period ended Nov. 30. The Fund hit new highs in total net assets, number of shareholders, and number of shares.

Adjusted for the capital gains distribution of 28 cents per share, net asset value was $12.00 on Nov. 30 compared with $9.33 a year earlier. It has climbed another 54 cents a share in the month since the end of the fiscal year.

Total net asset value increased 40% for the year, reaching a new high of $78,818,076 and keeping S-2 in its position as the largest of the 10 domestic funds under Keystone management. Total net assets of the organization reached almost $424 million at the end of the calendar year.

In the last half of the fiscal year, Keystone S-2 increased its railroad holdings with the addition of 26,500 Southern Pacific, 12,500 Kansas City Southern and 10,000 Norfolk & Western. Ability of the railroads to control their costs, thus strengthening dividends, prompted these investment decisions.

Largest additions to existing holdings were 17,500 shares of Flintkote Co. and 15,000 shares of Deere & Co. The Fund's largest individual holding is 50,000 shares of Standard Brands, which recently raised its dividend. The S-2 Fund has 57 individual issues in 14 industry groups.

Williams, Widmayer Opens

WASHINGTON, D. C. — Williams, Widmayer Incorporated, has been formed with offices at 5506 Connecticut Avenue, Northwest to engage in a securities business. Officers are Richard N. Williams, President and Treasurer, and Don F. Widmayer, Vice-President and Secretary. Both are officers of the First Washington Corporation.

To Underwrite Shares of Fidelity Capital Fund, Inc.

Fidelity Capital Fund, Inc., has filed a registration statement with the Securities and Exchange Commission covering the proposed sale of 1,000,000 shares of capital stock at $12 a share. Distributors of the fund's shares are Hornblower & Weeks of Chicago and The Crosby Corporation of Boston. Fidelity Capital Fund, Inc., is a diversified open-end investment company with primary emphasis on capital appreciation possibilities. It is managed by Fidelity Management & Research Company which also manages Fidelity Fund, Inc., and Puritan Fund, Inc.

The fund was organized by Fidelity Management & Research Company through offerings of 20,000 shares at $10 per share ending May 27, 1958. The prospectus lists Edward C. Johnson 2nd as president. He owns 5½% of the outstanding shares; and he has been president and a director of the investment adviser since 1946 and is a vice president and director of The Crosby Corporation.

National's Assets Advance by 55%

While looking ahead in its annual Forecast to, "A substantial improvement in general business and industrial activity in 1959," National Securities & Research Corporation can also look back upon 1958 as a year of substantial growth for the mutual funds under its supervision.

Combined assets, shareowners and shares outstanding of the National Securities Series of mutual funds stood at all-time highs on Dec. 31, 1958. Assets increased more than 55% from $266,841,858 on Dec. 31, 1957 to $414,334,061 on Dec. 31, 1958. During the same period, shareowners rose from 150,081 to 168,127 and shares outstanding from 56,305,169 to 65,919,029. The rise in assets reflected both market appreciation and purchases by investors of $70,858,859 in new shares in 1958.

Wellington Equity Dividend Declared

The directors of Wellington Equity Fund, which started operations on Oct. 24, has declared its first distribution of four cents per share from net investment income. This dividend is payable Feb. 2, 1959 to shareholders of record on Jan. 7, 1959. Shareholders have the option to receive the dividend in cash or stock.

Delaware Fund Reaches New High

Net assets of Delaware Fund this past year climbed 60% to a new high of $72 million after distributions totaling almost $2 million from income and close to $3 million from capital gains, W. Linton Nelson reported in the Fund's latest semi-monthly Directors' Letter.

Mr. Nelson, writing for Delaware Company, investment manager of Delaware Fund and Delaware Income Fund, said that net sales of Delaware Fund shares accounted for about one-third of the increase and market appreciation of portfolio securities for the remaining two-thirds.

The Fund, he recalled, held substantial amounts of cash or cash equivalents off and on in 1957—once early that year and then again in late summer. "The big decline which really got underway in August, '57," he went on, "climaxed in October and then floundered around in a broad range, getting no place until April of this year. During the 1957 decline," he continued, "we reinvested all of our cash—too early to help our comparative results that year, but in time to put us up with those at the head of the class this year."

Mr. Nelson also reported that Delaware Income Fund's net assets, which amounted to $2.3 million at the start of the year, now total $3.8 million after payments totaling $175,000 from income and $27,000 from capital gains. In this case, too, he said, net sales accounted for some of the increase, but again most of the rise reflects market appreciation.

"The going has not been as easy for Delaware Income Fund, which was launched in April, 1957," Mr. Nelson commented. The short

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J. R. Williston & Beane To Admit Partners

J. R. Williston & Beane, 115 Broadway, New York City, members of the New York Stock Exchange, on Feb. 1 will admit Thomas A. McKay and James Cooper to general partnership and Marian B. Beane to limited partnership.

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Mutual Funds

business depression, he said, forced several of the higher dividend-paying companies to reduce dividends to conserve cash . . . a practice which carried on well into 1958. "But now with returning prosperity," he went on, "this situation is reversing itself, and the stocks of these companies should quickly return to favor as earnings pick up and dividends are increased again."

Mr. Nelson, who is also President of both Funds, said the management group feels that 1959 will offer many opportunities for profitable investing, but selection is going to be more difficult. "At this time last year," he recalled, "courage and a belief that Government would take steps to turn the economy around were all that was needed. Government did act and business did recover. Now," he continued, "it is up to the consumer and the businessman to do their part. We feel they will."

Group Securities' Assets Rise by 54%

The 25th anniversary of Group Securities, Inc., "has been an excellent year for your company," writes President Herbert R. Anderson in his year-end message to shareholders.

Total assets rose $51,162,718 to a record high of $145,996,350 in the 12 month period ending Nov. 30, 1958, a gain of 54%, and "the largest year-to-year growth of assets in Group Securities' history."

Other record highlights of the year were:

Shareholder accounts increased by 6,455 to 43,244, a rise of 18%.

The number of investors using the Group Securities Periodic Investment Plan increased by 50% and the value of shares held in the Plan rose by nearly 100% to $8,684,000.

Total assets of the largest Group fund, The Common Stock Fund, grew 95% in the 12 month period to $52,856,231.

The report described 1958 as a "turn-around" year, in which the market completed its severe correction of the latter half of 1957 and was led in its subsequent advance by stocks in the more "sedate" consumer groups, notably tobaccos.

It was the emphasis on these long-depressed issues in the holdings of the company's more broadly diversified funds that accounted for their "unusually favorable" investment results, according to the report. The Common Stock Fund and The Fully Administered Fund (a balanced fund), with the price of each adjusted for the year-end 1957 and 1958 securities profits, are 15.5% and 16.3% above their 1957 highs, respectively, as compared with a 7% gain for the Dow-Jones Industrial Average.

The report suggests that this popular market indicator has tended to conceal the unevenness of the 1958 market recovery since, despite the new high for the index, three-fourths of the common stocks listed on The New York Stock Exchange are still selling below their prior 1955 through 1957 highs, many by substantial amounts.

Regarding the new year, the report concludes: "Thus, while many well-known stocks have run well ahead of their advancing values, many more offer good growth potential and excellent value. It is in this latter area that investment opportunities are to be found. Today, evidence continues to confirm that while many problems exist, the economy is in a strong forward movement, and that despite intermediate corrections, the market will continue to reflect this steady improvement over the longer-term."

Hooker & Fay Add

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Frank S. Kirkland is now connected with Hooker & Fay, 221 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges.

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The Meteoric Growth Of Mutual Funds

porate income taxes. When capital gain distributions are made, shareholders (who pay the capital gains rate applicable to their own tax bracket) are encouraged to keep their capital fully invested by taking such distributions in additional shares of the fund.

Ready Market

Another real advantage of owning shares in a mutual investment company is the ready market in the event the shareholder wishes to dispose of his holdings. This liquidity is a feature which is unique in the field of stock investing, since it means there is no lack of market such as might prevail if one had a large block of an individual stock issue.

The shareholder may withdraw from a mutual fund at any time by simply presenting his shares to the fund or the custodian of the fund for redemption. The shareholder then receives the prevailing liquidating value which may show a profit or a loss on the investment, depending on the market value of the underlying securities held by the fund on the day of liquidation. Usually there is no commission or fee charged for the privilege of liquidation and ten thousand shares can be liquidated as easily and at the same price as ten shares.

Mutual Fund Shares as Collateral

Because mutual fund shares are highly liquid with the redemption value based on the value of the securities held by the fund, they make excellent collateral for bank loans. Thus, investors who might need money temporarily but who do not wish to dispose of their mutual fund shares are usually able to borrow emergency money from bankers, using such shares as collateral.

Custodianship

All mutual funds are required to employ a bank custodian to hold the cash and securities of the fund. These custodians often register shares, make disbursements of dividends to shareholders, pay approved expenses and perform other similar purely clerical duties. However, these custodians have no responsibility for the investment management of the fund or the value of its shares.

Convenience

Mutual fund shares are outstanding in their convenience. The investor is relieved of many burdensome clerical, bookkeeping and tax accounting details which he must assume with the ownership of stocks and bonds of individual corporations. The fund shareholder has one certificate (which represents his proportionate interest in the value and income from many securities) and usually four varying dividend checks annually. He is relieved of the bother of signing and mailing various proxies or of determining whether various rights should be exercised or sold.

Tax Status

The Federal Internal Revenue Code specifically provides for special tax treatment of open-end mutual investment funds which permits such funds to be relieved of all Federal corporate income taxes under certain conditions. In order to realize this tax exemption, a fund must pay out a minimum of 90% of its net investment income to shareholders. If any portion of the income is retained by the fund, it is subject to corporation tax. Accordingly, most funds pay out all of their net income to shareholders. Likewise, if the realized capital gains are not paid out to shareholders, they are subject to the capital gains tax against the corporation. The management of most funds conduct their businesses so as to divest themselves of all investment income and capital gains in order to avoid the payment of Federal income taxes, and the shareholders then pay taxes on these distributions in accord with individual income brackets.

Price of Shares

Liquidating Value: The liquidating or net asset value of mutual fund shares is usually determined by taking the total market value of the fund's net assets and dividing it by the number of fund shares outstanding. This is the value received by shareholders who dispose of their holdings.

Public Offering Price: As in all goods and services, there is a sales charge included in the purchase price (public offering price) of mutual fund shares. There are usually no further commissions or sales charges and an investment may be normally liquidated without commission or fee. This offering price fluctuates in direct proportion to the net asset value which is generally determined once or twice daily. This initial sales charge may vary from ½ of 1% to 9%, depending on the fund selected and the amount invested,

as set forth in the Prospectus of the specific fund which gives details of the sales commission and other pertinent information. A few funds offer their shares at net asset value. A purchase of a few hundred or a few thousand dollars will include the maximum sales charge. On large purchases, most funds reduce the percentage of sales charge so that on the purchase of $100,000 or more, the charge may be only 2%. A purchase of $1 million or more may involve only a sales charge of ½ of 1%.

"Amortize" Sales Charge: The sales charge on the purchase of mutual fund shares should be considered by the investor as a capital expense that is spread or theoretically amortized over the entire life of the investment—much like spreading the premium on fire insurance over the entire period of coverage instead of charging it off in the first year. The sales charge may be compared to the initiation fee that one would pay to join a lodge or country club—its cost should be considered in relation to value received. If you are going to be around only for a short time you would not join. Likewise mutual fund shares should be considered only as long term investments—holdings that should be given ample time to make up the initial outlay.

Sales Charge vs. Results: Whether the sales charge seems high or low depends entirely on results. It is quite possible that the results of professional management may prove superior to results obtained by "amateur" management of investments—and in such cases, the sales charge in itself may prove to be a "good investment."

Unlimited Supply: There is practically no limit to the number of mutual fund shares which may be purchased at the public offering price—a sharp contrast to the purchase of a large block of an individual issue on one of the national exchanges or on the "over-the-counter" market, where the price is directly affected by supply and demand.

Origin and Development

The basic idea of pooling money in order to secure the advantages of spreading the risk over many securities is not new. The first investment company may be traced to Belgium in 1822 where King William I organized the Societe Generale de Belgique. The idea did not gain wide acceptance until 1880 to 1890, when several important Scottish companies were formed.

The canny Scots readily saw the advantages of pooling their investment funds to total a sufficiently large amount so that experienced money managers could be obtained at a relatively low proportionate cost to each shareholder. Through this medium, Scottish and later British investment companies were able to accumulate hundreds of millions of pounds which were invested throughout the world. Much of this British and Scottish capital was invested in farm mortgages in the United States, and there are companies in existence today whose names give evidence of this, such as the Scottish Investors Mortgage Company, and Scottish-American Mortgage Company.

Early American Pattern

Due to a scarcity of enterprise capital in the United States until the beginning of the 20th Century, the investment company idea started slowly here. In the period of 1890-1920 only a few American investment companies made their appearance. These early examples of the modern American investment company followed the example of the British predecessors and placed primary emphasis on income and safety.

In the roaring 20's, particularly after 1926, a flood of investment companies appeared on the American scene. Some of these companies were the "fixed trust" type, wherein the investment management selected a portfolio which could not be changed for the duration of the trust. Other trusts were formed primarily as a medium of speculation. Many banking firms formed trusts which were nothing more than a dumping pool for their own unsalable underwritings. By the end of 1929 there were over $7 billion of assets in investment companies with about 675 active companies. The years from the stock market break in November, 1929, to mid-1932 were trying times for such American investment trusts. Many trusts failed, and the shrinkage in the value of their assets was even more pronounced than their growth in the preceding boom.

The Modern Mutual Investment Fund

Out of the crucible of chaos following the market crash of 1929, the abuses of investors' confidence in the early American types of trust, and the resulting corrective legislation, was forged the new American version of the mutual investment fund. This investment vehicle—the open-end mutual investment fund—is a far cry from the trusts of the roaring 20's. Then the managements of many so-called investment companies were more concerned with their own personal affluence than with the well-being of shareholders and the security of investment company assets. Now, the investor may possibly lose money in mutual investment fund shares through a drop in security prices but he is very unlikely to lose because of dishonesty of management.

The present mutual fund—with its open-end feature to make new shares constantly available with a redemption feature—is thus the American concept of the basic original idea of pooling money to secure the benefits of broad diversification to spread inherent investment risk.

Adequate Regulation

Open-end mutual investment funds must register with the Securities and Exchange Commission and are also subject to State Laws and regulations. The purpose of the Federal and State regulations is to protect the interest of the shareholders and to eliminate the abuses in investment company operation in evidence during the 1920's. Such Federal and State regulation, however does not involve supervision of management or investment practices or policies.

The mutual fund industry "came of age" with the passage in 1940 of the Investment Company Act after several years of study and investigation by Congress. The passage of this Act, which provided for continuous supervision of the industry by the SEC, has caused mutual funds to prosper and expand in much the same way as the Congressional investigations and corrective legislation early in the century caused the turning point of the life insurance industry, which now has become one of the financial bulwarks of the nation.

Federal regulation because of its emphasis on disclosure of pertinent facts has resulted in increasing public confidence and acceptance of this investment medium.

Wide Choice of Funds

The mutual fund, unfortunately, is not a panacea for all investment evils. No one mutual fund will fit all needs—just as no one golf club will be suitable for all shots on a golf course. However, there are many different types of funds available so that the investor can select one or a combination that will coincide most nearly with his objective.

Balanced Funds: There are conservative balanced funds consisting of high-grade bonds, preferred stocks and common stocks which are aimed at current income. There are also balanced funds with medium quality securities to provide a somewhat higher income than is available from high-grade securities, and with correspondingly greater risk.

Common Stock Funds: For investors who may wish a chance for long-term growth of capital and income and who are in a position to accept the risk involved—there are funds composed of a broad list of dividend-paying common stocks.

Bond Funds: Investors with adequate commitments in either stocks or real estate, may desire a conservative backlog to balance their account. For them, there are mutual investment funds which invest exclusively in bonds.

Other Types: A few mutual funds invest only in preferred stocks. Other funds have as their investment objective maximum volatility or appreciation in rising markets (with, of course, a concomitant risk of faster than average depreciation in declining markets). Some hold so-called "growth" stocks. Others are known as "Class" funds which invest, for example, in steel shares, oil shares, or other industrial groups.

Whatever an investor's objective may be . . . whether it is emphasis on current income . . . emphasis on defensive characteristics . . . appreciation in rising markets . . . low priced stocks for maximum volatility . . . partial hedge against inflation . . . or any other investment goal, the investor is likely to find one or more mutual investment funds with similar objectives. There is risk, of course, in the ownership of any market security, so there can be no assurance that these objectives will be achieved. However, it is reasonable to assume that full time professional investment managers are more likely to do a constructive job than the average investor.

Mutual Funds for Trust Accounts

It is significant that mutual fund shares are being used in steadily increasing amounts as trust investments. Late in 1957, a survey by the National Association of Investment Companies showed that more than $600 million worth of mutual fund shares were held by institutional investors, including fiduciaries, institutions and foundations, pension and profit-sharing funds, unions, insurance companies and other financial institutions.

Now most states permit a trustee to purchase mutual investment shares for trust accounts, subject to certain limitations.

New Hampshire and Rhode Island regulations permit investment by savings banks in certain mutual investment funds, subject to certain limitations.

Three states—Nebraska, Wisconsin and Wyoming permit purchases by fiduciaries of investment company shares, subject to certain limitations.

Nineteen states permit trustees to purchase mutual fund shares for trust accounts — some by amendment to the "Prudent Man Rule," and some by court action, statute or judicial opinion. These states are:

Arkansas
Colorado
Kansas
Kentucky
Maine
Massachusetts
Michigan
Mississippi
New Hampshire
New Jersey
New Mexico
North Dakota
Oklahoma
Pennsylvania
South Carolina
Tennessee
Virginia
Washington
West Virginia

Nineteen other states have adopted "Prudent Man" rules without specific mention of mutual investment funds. Some trustees have purchased mutual fund shares under such rules and have been upheld by the courts. These "Prudent Man" Rule states are:

California
Connecticut
Delaware
Florida
Idaho
Illinois
Maryland
Minnesota
Missouri
Nevada
New York
North Carolina
Ohio
Oregon
Rhode Island
South Dakota
Texas
Utah
Vermont

Shareholders of Mutual Funds

Shareholders of mutual funds include Texas oil millionaires—widows — professional people — grocers—gas station attendants—trust accounts — labor unions — college endowment funds—churches . . . in fact people in all

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The Meteoric Growth Of Mutual Funds

age groups and walks of life as well as many institutions. Investments range from well under $1,000 to over $1 million.

The average mutual fund buyer is not looking for a killing in the stock market but rather for a conservative investment that will be held for 10 to 20 years or life.

Systematic Investing

One of the most significant developments in the mutual fund industry in recent years is the widespread acceptance of various forms of periodic purchase plans. Hundreds of thousands of individuals and many institutions buy mutual funds a little at a time—a small initial investment with small subsequent investments every month or quarter or perhaps every year. Prior to the periodic purchase plans offered by mutual funds or the Monthly Investment Plan offered by the New York Stock Exchange, many persons of average means deferred making investments until they had a worthwhile round sum—a happy state which many did not achieve. Now one can start to acquire stock ownership in American industry by investing modest sums on a periodic basis. Some funds require a minimum initial purchase of from $20 to $250 or the purchase of a minimum number of shares such as 10. Other funds require no minimum initial investment. Subsequent investments must be not less than $25 with many funds, $50 in other funds, and no minimum in others.

As of Sep. 30, 1958, there were over 800,000 of these accumulation plans in effect (including both voluntary and contractual types) with a total value of $1,119,000,000. Approximately 60,000 new accounts have been opened during each of the first three quarters in 1958, according to figures released by the National Association of Investment Companies. New accumulation plans opened in 1958 should exceed the 1957 total of 220,897 new accounts which was a number substantially in excess of any previous twelve month period.

The accumulation plans referred to above include only those in which the planholder has made provision for the investment of new money at regular intervals. The great majority of these plans also include provision for reinvestment of distributions. Accumulation plans are generally of two types. One is the contractual type under which the investor formally agrees to make regular periodic investments for a specified period of time. The other, known as the voluntary type, is a less formal plan in which no total time period or ultimate investment amount is specified.

Some accumulation plans are being used for corporate retirement and profit sharing programs, union funds, and other similar purposes where there is a continuing flow of new money for investment.

In contemplating a plan of systematic investment, it should be realized that the plan involves investing in a security which is subject to market fluctuation so that there can be no assurance that the investor's objective will be achieved. As in all investments, such a program does not assure a profit nor protect against loss in declining market, and a loss would be incurred if the plan were discontinued at a time when the market value of accumulated shares is less than the cost. The risk of loss must be measured as against the opportunities for profit. Such a plan involves continuous investments in shares at regular intervals regardless of price levels so that the investor must take into account his financial ability to continue such a plan through periods of low price levels. PLANS SHOULD BE MADE TO BUILD INVESTMENTS IN SUCH PROGRAMS OVER A LONG PERIOD OF TIME.

Reasons for Growth of Mutuals

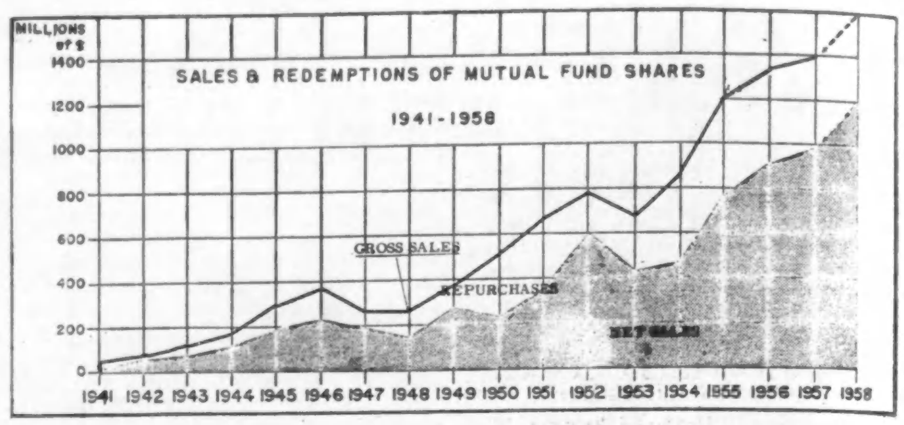
Of course a part of the growth to over $12 billion of assets over the past 18 years is due to the general advance of security prices. Nevertheless, as shown by the accompanying chart, there has been a strong upward trend in the annual volume of gross and net sales since 1941. It is estimated that in the period of 1940 to the 1958 year-end, some $8 billion of new money will have been invested in mutual funds. This dynamic growth of mutual funds would appear to evidence public acceptance and confidence in this form of investment.

A strong reason why people buy mutual funds is desire for income. In 1957, mutuals distributed some $322 million as income dividends. With many sources of income, a mutual fund is likely to pay regular income dividends although in varying amounts.

Then, the sales effort in merchandising mutual fund shares has been expanding in recent years as more and more brokerage houses and investment dealers go into this segment of the investment market. With the mutual fund story being told to an ever growing number of people it is inevitable that sales will expand.

One of the most compelling reasons for growth in mutual funds, especially of the common stock variety, is that they offer a sound and productive method to share in the long range upward trend of our economy as an offset against the historically diminishing purchasing power of the dollar. It should be realized, however, that at times, the value of shares and the income they pay may in the future, as in the past, move in the opposite direction from the cost of living trend.

The backbone of the growth of mutual funds has been the small investor—with as little as $500 and probably not more than $10,000. The marked trend in recent years toward redistribution of national income in favor of the lower income groups has enabled many to accumulate surplus funds for investments despite higher living costs.



Medium - sized investors with $20,000 to $50,000 have also been attracted to mutual funds.

Mutual investment funds also have attracted substantial investors and many single investments of a million dollars or more have been made by individuals, institutions and endowments. Harvard University, with perhaps the largest endowment fund in the world (over $535 million), after operating the account themselves for many years, in 1948 turned over the management of its account to the investment management of a mutual investment company — a practical evidence of confidence in professional investment management. It must be realized, however, that Harvard University did not invest in a mutual fund and that the objective of the University account may be different from that of the fund.

What of the Future?

A continuation of the dynamic growth trend of mutual funds over the last 15 years, could easily result in $40 billion of assets by 1968—with 5 million shareholders.

Liquid savings of individuals in the United States are at all time high.

Statistics available from the SEC show estimated liquid assets of individuals (currency, demand deposits, time deposits, savings and loan shares and U. S. Government securities) at over $280 billion at the 1958 mid year—an all time high. Some of these funds will undoubtedly find placement in the investment market and many will prefer the "mutual" way of investing.

Personal income in July, 1958, according to government reports, rose to a record annual rate of $354.5 billion. In the same month, investors purchased a record monthly total of $165 million mutual fund shares. There is a clear correlation between the amount of money people earn and the amount they invest. With a continuation of record earnings in prospect over the intermediate and long term, prospects are excellent for record mutual fund sales.

There are many millions of people in the U. S. who enjoy more income and have larger savings than ever before — but who have never bought securities principally because they are unfamiliar with the nature of investment. Inevitably, many of these will become mutual fund shareholders through the educational efforts and salesmanship of investment dealers.

Inflation will continue to exert pressure on the American family. With the traditional havens for money not returning sufficient income to offset rising living costs and taxes, more and more inflation-conscious investors who can afford the risks of equity investing will seek long term growth of capital and income in common stocks. Many will choose mutual funds for this purpose.

Another dynamic prospect for mutual fund investment is the pension fund, now growing, in the aggregate, at a rate of about one-half billion dollars a year.

Prospects are bright indeed for the mutual fund industry — as more and more Americans put their surplus funds to work in the growth, income and profits of ever expanding American industry and business.

Clarence M. Lewis

Clarence M. Lewis passed away Jan. 4 at the age of 82. Prior to his retirement in 1932 he had been a partner in William Salomon & Co. and Blair & Co.

Prince Edward Lobkowicz

Prince Edward Joseph Lobkowicz, associated with Fahnestock & Co., as a customers broker passed away Jan. 1 at the age of 59.

With La Montagne, Pierce

(Special to THE FINANCIAL CHRONICLE)

PALO ALTO, Calif.—Harold S. Catlin is now with La Montagne, Pierce & Co., 422 Waverly Street. He was formerly with Dividend Securities Company.

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The State of Trade and Industry

ing date a year ago was 278.20. Higher prices on most grains, flour, and rubber were offset by lower livestock, butter, and sugar prices.

Encouraged by a good backlog of export business, grain trading picked up during the week, and prices advanced somewhat. Increased buying of rye boosted prices noticeably. Wheat prices moved up somewhat from the prior week, and transactions improved. Although sales of corn were close to a week earlier, prices increased fractionally. There was a moderate dip in soybean turnover, and prices were down slightly.

Although both domestic and export buying was sluggish this week, flour prices were slightly higher than a week earlier. There was a marked rise in orders for rice from domestic buyers and inquiries from exporters were up substantially, but prices were unchanged from the prior week.

Coffee trading slipped this week, but prices were sustained at the prior week's levels. The news developments in Cuba apparently had little effect on sugar trading in the United States, as volume was close to that of the prior week and prices were steady. Although cocoa trading livened up during the week, prices fell somewhat.

Hog receipts in Chicago expanded noticeably this week, but trading remained at the level of a week earlier; hog prices were down somewhat. There was an appreciable rise in the salable supply of steers and trading moved up, but prices were off fractionally. Increased lamb receipts prompted a slight decline in prices, as trading lagged. Contrary to the decline in hog prices, lard prices rose appreciably during the week.

There was an appreciable rise in cotton trading on the New York Cotton Exchange in the week ended Jan. 6, but prices were unchanged from the prior week. In the latest week exports of cotton amounted to about 38,000 bales, compared with 78,000 in the prior week and 107,000 in the similar week a year ago. For the season through last Jan. 6 exports totaled 1,285,000 bales, against 2,333,000 during the comparable period last season.

Clearance Sales Promotions Stimulate Trade

Attracted by numerous clearance sales promotions, consumers stepped up their buying of apparel, some appliances, and linens in the week ended Jan. 7, and the total dollar volume of retail trade slightly exceeded that of a year ago. More noticeable gains were prevented by unfavorable weather in some areas and limited stocks among some retailers. Scattered reports indicated that the buying of new passenger cars rose somewhat from the prior week and were slightly higher than a year ago.

The total dollar volume of retail trade in the week was unchanged to 4% higher than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1958 levels by the following percentages: East North Central, South Atlantic, and Pacific Coast +1 to +5; Middle Atlantic and West North Central 0 to +4; East South Central and Mountain —1 to +3; West South Central —2 to +2; New England —5 to —1.

There was a noticeable rise in the buying of women's Winter coats, dresses, and fashion accessories and volume in sportswear was up slightly; overall sales of women's apparel moderately exceeded that of a year ago. Year-to-year gains in purchases of men's suits, topcoats, and sportswear offset decline in furnishings. Increased buying of boys' shirts, slacks, and jackets boosted total sales of boys' merchandise slightly over last year.

Attracted by openings in New York City, apparel buyers noticeably stepped up their orders for women's Spring dresses, sportswear, blouses, and millinery, and volume was close to last year. Bookings in women's Spring coats and suits were down slightly from the similar period a year ago. The call for men's Spring clothing expanded considerably and was close to last year. In preparation for Easter, retailers increased their buying of children's clothing over both the prior week and a year ago.

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Jan. 3, 1959, advanced 3% above the like period last year. In the preceding week, Dec. 27, 1958, an increase of 30% was reported. For the period Jan. 1, 1958, to Dec. 27, 1958, an increase of 1% was recorded above that of the 1957 period.

Retail trade sales volume here in New York City the past week, according to estimates by trade observers was unchanged from the 1957 level.

According to the Federal Reserve Board's index, department store sales in New York City for the week ended Jan 3, 1959, showed a decrease of 3% below that of the like period last year. In the preceding week, Dec. 27, 1958, a gain of 23% was reported. For the four weeks ended Jan. 3, 1959, an increase of 22% was noted. For the period Jan. 1, 1958, to Dec. 27, 1958, an increase of 3% was registered above that of the corresponding period of 1957.

Home Owners' Incomes Outrun Their Mtg. Debt

As a rule, increases in mortgage debt on United States homes in recent years have been less than increases in home owners' incomes. And in spite of depreciation, current "market value" of mortgaged homes rose by 33% in the period from 1950 through the end of 1956.

Saul Fromkes

Both of these findings, according to Saul Fromkes, President of the City Title Insurance Company of New York, are contained in one of the government's most important real estate publications of 1958, issued late in October by the Census Bureau of the Department of Commerce: "1956 National Housing Inventory—Volume II, Financing of Owner-Occupied Residential Properties."

Debt and Income

In comparing home mortgage debt and home owners' income, Mr. Fromkes reports, this Federal study shows that median FHA home owner debt at the end of 1956 was 1.17 times median annual income of FHA home owners, compared with 1.26 times income in 1950, while Veterans Administration median mortgage debt was 1.51 times VA home owner income in 1956, compared with 1.54 times income in 1950. During the same period, median conventional mortgage debt decreased from 0.84 times owners' income in 1950 to 0.82 times income in 1956.

In comparing the current "market values" of mortgaged homes on which data were obtained in both the 1950 Census and in the special 1956 National Housing Inventory, the government found that the median value in 1950 was $7,929, and at the end of 1956 was $10,566, an increase of $2,637, or 33%.

Median Market Value of Houses

In a table covering various price ranges in this section of the report, according to the City Title Insurance Company executive, Census Bureau experts estimate that the median current market value of houses that were checked in each year and were in the $4,000 to $4,999 range in 1950 rose 44% by the end of 1956; the median for those that were in the $5,000 to $5,999 range rose 46%; the increase of those from $6,000 to $6,999 was 37%; those in the $7,000 to $7,999 range, 33%; those in the $8,000 to $8,999 range, 30%; those in the $9,000 to $9,999 range, 27%; those in the $10,000 to $14,999 range, 32%, and those from $15,000 to $19,999, 22%.

The special inventory estimated that the median current market value of all mortgaged houses as of Dec. 31, 1956 was $12,416, with 31% of them valued at less than $10,000, another 35% from $10,000 to $15,000, and 34% valued at over $15,000.

Other Highlights

Some of the other highlights on home mortgage conditions revealed by the 1956 National Housing Inventory, as cited by Mr. Fromkes:

(1) As the number of mortgaged owner-occupied, single-dwelling-unit properties increased from 7,052,000 in 1950 to 12,713,000 in 1956, the percentage of non-mortgaged units of this size decreased from 54 to 44.

(2) The median total borrowing, including first and second mortgages, for the purchase of new units rose from $4,458 in 1950 to $7,865 in 1956. But allowing for amortization, on existing homes, the median of outstanding debt rose from only $3,427 to $6,338.

(3) Mortgage debt on new single-unit houses built between 1950 and 1956 accounted for 63% of total outstanding home mortgage debt in 1956. The debt on houses built before 1950 was virtually unchanged.

(4) FHA and VA guaranteed loans accounted for 44% of first-mortgage loans in 1956, compared with 41% in 1950, and 55% of total outstanding mortgage debt in 1956, compared with 45% in 1950. During this span, the number of VA loans increased 188%, and FHA loans 85%.

(5) Total single-family owner-occupied outstanding home mortgage debt of $79.4 billion in 1956 amounted to 54% of the estimated value of mortgaged properties, while the total of $28.6 billion in 1950 was 48% of estimated value. The 1956 debt outstanding amounted to 83% of the original loans; the 1950 outstanding debt equalled 82% of original loans.

Of all mortgaged homes, 32% were built prior to 1940; 20% were built between 1940 and 1950; 33% were built in the 1950-54 period, and 15% were built in 1955 and 1956.

(7) The median original amount of FHA first mortgage loans was $8,428 (outstanding balance in 1956 $7,048); for VA loans $9,804 (outstanding balance $8,715), and for conventional loans $6,277 (outstanding balance $4,637).

Railroad Securities

Missouri Pacific

Improvement in economic conditions in the West and Southwest in the final quarter of 1958 brought about a betterment in earnings of the Missouri Pacific Lines. Earlier in 1958, carloadings had been running as much as 13% under 1957. With the gain in business during the final months, it is estimated the road ended the year with loadings off only 5¼% as compared with 1957.

This improvement brought gross revenues up to an estimated $290 million, down only 3% from 1957. The road had to exercise strict control over expenses during the year in view of the rise of about $8,800,000 in wage expenses. After mandatory appropriations and capital funds, the balance for the year is placed at $4,500,000.

November showed a good improvement over the like 1957 month with gross revenues of $24,653,713 compared with $22,879,786 in November, 1957. For the first 11 months of last year gross was $266,197,035 against $274,204,227 in the like 1957 months. Net income in November was $2,136,976 as compared with $1,973,165 in the 1957 month, and for the 11 months in 1958 net income was $12,508,814 against $14,939,622 in the like 1957 months.

In November $364,000 was accrued for Federal Income taxes compared with a credit accrual of $400,000 in November, 1957. For the 11 months, $967,000 was accrued for Federal Income taxes compared with $3,020,000 in the 1957 months. The balance after mandatory capital and sinking funds for November was $1,240,879 compared with $1,116,140 in the like 1957 month and for the 11 months the balance was $2,852,189 against $5,025,205 in the like period of 1957.

It has been officially forecast that the prospects for 1959 appear to be favorable for the Missouri Pacific. The territory served by the road seems to be accelerating its recovery from the effects of the recession more rapidly than many other regions. The road has been able to diversify its traffic, gaining a broader base and now has increasing manufacturing and industrial activity as well as agricultural products, mines and forests.

Missouri Pacific is one of the few railroads which has been seeking additional passenger traffic, even to the extent of reducing fares and placing special fares in effect. Lower fares on the Colorado Eagles has made additional traffic available. Surveys among passengers in these coach-fare sleepers indicated that 37% would have used just the coach seat had not reduced Pullman fares been in effect; 23% would have traveled by air, 14% by private automobile and 3% by bus. Only 10% were former Pullman car patrons who took advantage of the lower fares.

Savings Banks' Deposits and Mortgage Funds

Continuous monthly deposit increase in mutual savings bank industry, exceeding deposit gains of paralleled 1957 months, is reported by National Association of Mutual Savings Banks. Survey notes sharp increase in net flow of mortgage funds and anticipates continued large flow of mortgage funds for several months ahead.

During every month in 1958, deposit gains in the nation's 519 mutual savings banks exceeded those in corresponding months of 1957, and for seven months the gains were the largest on record. By year-end total deposit gains are expected to reach $2.5 billion —the largest gain for any year on record. Total deposits in the banks are expected to exceed $34 billion at the end of 1958, and assets to reach more than $38 billion.

The year-end survey, issued by the National Association of Mutual Savings Banks, indicated that with the anticipated rise in personal incomes, deposit gains in the mutual savings banks should continue through 1959, assuming no strong revival of inflationary psychology that could cause accelerated efforts at hedging.

The investment pattern of savings banks during 1958 showed a sharp increase in the net flow of mortgage funds, a corresponding downturn in the pace of corporate security investment after the first five months of the year, and continued reduction of the banks' holdings of U. S. Government securities. During 1958 the average monthly rate of increase in mortgage holdings was over $175 million, compared with nearly $120 million during most of 1957. Net mortgage acquisitions for the year are expected to exceed $2 billion, compared with $1.4 billion in 1957 and the record $2.4 billion in 1955. Total mortgage holdings at the end of the year will exceed $23 billion, representing a little more than 60% of total assets.

During 1958 the savings banks sold $300 million U. S. Government securities, bringing their total holdings at the end of the year to $7.3 billion, or slightly less than 20% of total assets.

During the early months of 1958, the savings banks acquired corporate securities at a greater rate than during the latter half of the year. Net investment for 1958 will be close to the 1957 volume of $800 million. This will bring total holdings of corporates to $5.1 billion by the end of the year, representing more than 13% of total assets.

Mortgage commitments at most savings banks, the report added, will probably mean that for several months ahead there will be a continued large flow of mortgage funds. Government security holdings of savings banks are at a postwar low, relative to their total assets, but it is possible that savings banks may become net purchasers of Governments during 1959. Much will depend on any Treasury decisions to compete on the basis of rate and terms with other capital market borrowers, it was pointed out.

The year-end report was issued by the National Association of Mutual Savings Banks, which represents the savings banks on a national level in their efforts to improve thrift services and gain wider appreciation of the contributions made by the banks to individual depositors and the economy. The 519 mutual savings banks, which are State-chartered and supervised, are non-profit thrift institutions, operated for the benefit of depositors. They are located in 17 States, principally in the North Atlantic States but are found also in the Midwest and the Pacific Northwest.

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
● ITEMS REVISED

Securities Now in Registration

Advanced Research Associates, Inc.
Dec. 1 filed 400,000 shares of common stock (par five cents). **Price**—$6 per share. **Proceeds**—For research and development program; and for equipment and working capital. **Office** — 4130 Howard Ave., Kensington, Md. **Underwriters** — Wesley Zaugg & Co., Kensington, Md., and Williams, Widmayer Inc., Washington, D. C. **Offering**—Expected in January.

Alaska Juneau Gold Mining Co.
Dec. 29 filed 640,660 outstanding shares of common stock, of which 300,000 shares are to be offered currently and the remaining 340,660 shares in the future. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—6327 Santa Monica Boulevard, Los Angeles, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles, Calif.

Allied Publishers, Inc., Portland, Ore.
Nov. 28 (letter of notification) 22,000 shares of common stock (par $1). **Price**—$8.50 per share. **Proceeds**—For general corporate purposes. **Office**—665 S. Ankeny St. Portland 14, Ore. **Underwriter**—First Pacific Investment Corp., Portland, Ore.

● All-State Properties Inc.
Dec. 29 filed 685,734 shares of capital stock (par $1) to be offered for subscription by stockholders at the rate of 1½ new shares for each share held (for a 15-day standby. **Price** — $2 per share. **Proceeds**—For additional working capital and new acquisitions, etc. **Office**—30 Verbena Avenue, Floral Park, N Y. **Underwriter** — None. **Offering**—Expected about the middle of February.

American Asiatic Oil Corp.
Nov. 24 filed 100,000,000 shares of capital stock. **Price**—Two cents per share. **Proceeds**—To selling stockholders. **Office**—Magsaysay Building, San Luis, Ermita, Manila, Republic of Philippines. **Underwriter** — Gaberman & Hagedorn, Inc., Manila, Republic of Philippines.

American Buyers Credit Co.
Nov. 13 filed 5,000,000 shares of common stock, of which 4,545,455 shares of this stock are to be offered for public sale at $1.75 per share. [Shares have been issued or are issuable under agreements with various policy holders in American Buyers Life Insurance Co. and American Life Assurance Co. (both of Phoenix) permitting them to purchase stock at $1.25 per share. Sales personnel have been given the right to purchase stock at $1.25 per share up to the amount of commission they receive on stock sales made by them.] **Proceeds**—For the operation of other branch offices, both in Arizona and in other states. **Office**—2001 East Roosevelt, Phoenix, Ariz. **Underwriter**—None.

American-Caribbean Oil Co. (N. Y.)
Feb. 28, 1958, filed 500,000 shares of common stock (par 20c). **Price**—To be supplied by amendment. **Proceeds**—To discharge current liabilities and to drill 10 wells. **Underwriters**—To be named by amendment.

American Enterprise Fund, Inc., New York
Oct. 30 filed 487,897 shares of common stock. **Price**—At market. **Proceeds**—For investment. **Distributor**—Edward A. Viner & Co., Inc., New York.

American Growth Fund, Inc., Denver, Colo.
Nov. 17 filed 1,000,000 shares of capital stock (par one cent). **Price**—At market. **Proceeds**—For investment. **Office**—800 Security Building, Denver, Colo. **Underwriter**—American Growth Fund Sponsors, Inc., 800 Security Bldg., Denver 2, Colo.

American Mutual Investment Co., Inc.
Dec. 17, 1957, filed 490,000 shares of capital stock. **Price**—$10.20 per share. **Proceeds** — For investment in first trust notes, second trust notes and construction loans. Company may develop shopping menters and build or purchase office buildings. **Office**—900 Woodward Bldg., Washington, D. C. **Underwriter**—None. Sheldon Magazine, 1201 Highland Drive, Silver Spring, Md., is President.

American Telemail Service, Inc.
Feb. 17, 1958, filed 375,000 shares of common stock (par $1). **Price**—$4 per share. **Proceeds**—To purchase equipment and supplies and for working capital and other corporate purposes. **Office**—Salt Lake City, Utah. **Underwriter**—Amos Treat & Co., Inc., of New York. **Change in Name**—Formerly United States Telemail Service, Inc. **Offering**—Expected early in 1959.

● Arnold Altex Aluminum Co. (1/26-30)
Jan. 5 filed 250,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Proceeds** — To selling stockholders. Cruttenden, Podesta & Co., Chicago, Ill.

Associated Bowling Centers, Inc.
Nov. 24 filed 300,000 shares of 20-cent cumulative convertible preferred stock (par one cent) and 50,000 outstanding shares of common stock (par one cent). The preferred shares are to be offered for public sale for the account of the company and the common shares will be offered for the account of a selling stockholder. **Price**—To be supplied by amendment. **Proceeds**—To acquire new bowling centers and increase working capital (part to be used in defraying cost of acquisition of stock of owner of a Brooklyn (N.Y.) bowling center. **Office**—135 Front St., N. Y. **Underwriter** — To be named by amendment. **Offering**—Expected any day.

★ Australian Grazing & Pastoral Co., Ltd., Cisco, Texas
Jan. 13 filed 4,000,000 shares of common stock. **Price**—At par (56¼ cents per share). **Proceeds**—To purchase cattle; for improvements; to buy additional ranch in Queensland, Australia; and for other corporate purposes. **Office**—1301 Avenue L, Cisco, Tex. **Underwriter**—None. Ramon Kannon is President.

Autosurance Co. of America
Oct. 16 filed 250,000 shares of common stock (par $2.50). **Price**—$5 per share. **Proceeds**—To increase capital and surplus. **Office**—Atlanta, Ga. **Underwriter**—None. Statement effective Dec. 3.

● Avco Manufacturing Corp., New York (1/27)
Jan. 7 filed $15,000,000 of convertible subordinated debentures, due Feb. 1, 1979, to be offered for subscription by stockholders of record about Jan. 27, 1959 on basis of $100 of debentures for each 64 shares held; rights to expire on Feb. 10, 1959. **Price**—To be supplied by amendment. **Proceeds** — To reduce short-term bank loans. **Underwriters**—Lehman Brothers and Emanuel, Deetjen & Co., both of New York.

Bankers Fidelity Life Insurance Co.
Feb. 28, 1958, filed 258,740 shares of common stock (par $1), of which 125,000 shares are to be offered publicly and 133,740 shares to employees pursuant to stock purchase options. **Price**—To public, $6 per share. **Proceeds**—For expansion and other corporate purposes. **Office**—Atlanta, Ga. **Underwriter—None.**

Bankers Management Corp.
Feb. 10, 1958, filed 400,000 shares of common stock (par 25 cents). **Price**—$1 per share. **Proceeds**—To reduce outstanding indebtedness and for working capital. **Office**—1404 Main St., Houston, Texas. **Underwriter**—McDonald, Kaiser & Co., Inc. (formerly McDonald, Holman & Co., Inc.), New York.

Bankers Southern, Inc.
April 14, 1958, filed 8,934 shares of common stock. **Price**—At par ($100 per share). **Proceeds**—For general corporate purposes. **Underwriter**—Bankers Bond Co., Louisville, Ky.

Bargain Centers, Inc.
Nov. 20 (letter of notification) $300,000 of 6% subordinated convertible debentures due Jan. 1, 1969 and 30,000 shares of common stock (par 10 cents) to be offered in units of $100 of debentures and 10 shares of stock. **Price**—$100 per unit. **Proceeds**—For equipping and decorating a new store and acquisition of real estate for a new warehouse and working capital. **Office**—c/o Edward H. Altschull, President, 1027 Jefferson Circle, Martinsville, W. Va. **Underwriter**—Securities Trading Corp., Jersey City, N. J.

Bargain City, U. S. A., Inc.
Dec. 29 filed 5,000,000 shares of class A common stock. **Price**—$3 per share. **Proceeds**—For expansion and acquisition or leasing of new sites. **Office**—2210 Walnut Street, Philadelphia, Pa. **Underwriter**—None.

Bellechasse Mining Corp. Ltd.
Oct. 29 filed 800,000 shares of common stock. **Price**—Related to the market price on the Canadian Stock Exchange, at the time the offering is made. **Proceeds**—To be applied over the balance of 1958 and the next three years as follows: for annual assessment work on the company's properties (other than mining claims in the Mt. Wright area in Quebec); for general prospecting costs; and for general administration expenses. **Office**—Montreal, Canada. **Underwriters**—Nicholas Modinos & Co. (Washington, D. C.) in the United States and by Forget & Forget in Canada.

Big Bromley, Inc., Manchester, Vt.
Dec. 9 filed 6,000 shares of common stock, $300,000 of 5% debentures due April 1, 1979, and $100,000 of 6% notes due April 1, 1980, the common stock and debentures to be offered in units of $250 of debentures and five common shares. **Price**—Of units, $500 each, and of notes, at par. **Proceeds**—For general corporate purposes. **Business**—A ski lift and school. **Underwriter**—None.

Blossman Hydratane Gas, Inc. (2/2-6)
Dec. 29 filed $1,200,000 of 5% subordinated convertible debentures due Dec. 31, 1978 and 120,000 shares of common stock (par $1) to be offered in units of $500 of debentures and 50 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To retire short-term bank loans, and for working capital to be used for general corporate purposes. **Business**—Sale and distribution of liquified petroleum gas. **Office**—Covington, La. **Underwriters**—S. D. Fuller & Co., New York and Howard, Weil, Labouisse, Friedrichs & Company, New Orleans, La.

● Borman Food Stores, Inc. (1/21)
Dec. 24 filed 404,900 shares of common stock (par $1), of which 304,900 shares would be sold for account of stockholders and 100,000 shares for account of the company. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes. **Underwriter**—Shields & Co., New York.

Boston Garden-Arena Corp.
Nov. 24 (letter of notification) 2,150 shares of common stock (par $1). **Price**—At-the-market (estimated at $23 per share). **Proceeds** — To go to selling stockholders. **Office**—North Station, Boston 14, Mass. **Underwriter**—Weston W. Adams & Co., Boston, Mass.

Bowmar Instrument Corp.
Dec. 30 (letter of notification) $300,000 principal amount of 5-year 6% notes with stock purchase warrants attached. The warrant grants the right to purchase common stock of the company at the rate of 30 shares for each $1,000 principal amount of notes at the price of $7.50 per share. **Price**—At par. **Proceeds** — To reduce current short-term indebtedness and for working capital. **Office** — Bluffton Rd., Fort Wayne, Ind. **Underwriter**—Fulton Reid & Co., Inc., Cleveland, Ohio.

Bridgehampton Road Races Corp.
Oct. 23 (letter of notification) 15,000 shares of common stock (par $1) to be offered for subscription by stockholders of record Nov. 1, 1958 on the basis of one new share for each four shares held; unsubscribed shares will be offered to current creditors in payment of all or part of claims, at the rate of one share for each $4 of claims discharged; rights to expire about two weeks after mailing of offer. **Price**—$4 per share. **Proceeds**—To pay current creditors. **Address** — P. O. Box-506, Bridgehampton, L. I., N. Y. **Underwriter**—None.

Brookridge Development Corp.
Dec. 19 (letter of notification) $200,000 of 6% 15-year convertible debentures. **Price**—At par ($500 per unit). **Proceeds**—For expansion and working capital. **Office**—901 Seneca Ave., Brooklyn 27, N. Y. **Underwriter** — Sano & Co., 15 William St., New York, N. Y.

● Carraco Oil Co., Ada, Okla. (1/22)
Nov. 10 (letter of notification) 200,000 shares of common stock. **Price**—$1.50 per share. **Proceeds** — For general corporate purposes. **Underwriter** — Berry & Co., New York.

Cemex of Arizona, Inc.
Nov. 17 (letter of notification) 300,000 shares of common stock (par 25 cents). **Price**—$1 per share. **Proceeds**—For working capital. **Address**—P. O. Box 1849, 3720 E. 32nd Street, Yuma, Ariz. **Underwriter**—L. A. Huey Co., Denver, Colo.

Central Hudson Gas & Electric Corp. (1/26-27)
Jan. 2 filed 350,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—For construction program. **Underwriter** — Kidder, Peabody & Co., New York.

Central Illinois Public Service Co. (1/27)
Dec. 31 filed $12,000,000 first mortgage bonds, series H, due Jan. 1, 1989. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Smith (jointly); Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Salomon Bros. & Hutzler. **Bids**—Expected to be received up to 10:30 a.m. (CST) on Jan. 27.

★ Century Food Markets Co.
Jan. 9 filed 118,112 shares of common stock (par $1) to be offered for subscription by holders of common stock at the rate of one new share for each five shares held. **Price**—$5 per share. **Proceeds**—To discharge bank loan and to replenish working capital. **Underwriter**—Janney Dulles & Battles, Inc., Philadelphia, Pa.

● Champion Paper & Fibre Co.
Dec. 19 filed $20,036,400 of 4½% convertible subordinate debentures due Jan. 15, 1984, being offered for subscription by common stockholders of record Jan. 14, 1959 at the rate of $100 of debentures for each 22 shares then held; rights to expire on Jan. 29, 1959. **Price**—At 100% of principal amount. **Proceeds** — To repay outstanding bank loans and for general corporate purposes, including additional working capital and future capital expenditures. **Underwriter**—Goldman, Sachs & Co., New York.

● Chemical Fire & Casualty Insurance Co.
Nov. 24 filed 210,000 shares of class "A" voting common stock and 210,000 warrants to subscribe to a like number of shares of class "B" non-voting common stock. Purchasers of the class "A" shares will receive with each share purchased a warrant granting the right to purchase for $10 per share one shares of class "B" stock for a period of 18 months after the company receives permission to write insurance. **Price**—$10 per share. **Proceeds**—For working capital. **Office**—2807 Sterick Bldg., Memphis, Tenn. **Underwriter**—None. Statement effective Jan. 7, 1959.

★ City Lands, Inc., New York
Jan. 13 filed 100,000 shares of capital stock. **Price**—$20 per share. **Underwriter**—Model, Roland & Stone, New York.

★ Civic Finance Corp.
Jan. 2 (letter of notification) 6,000 shares of common stock (par $4) to be offered for subscription by holders of stock purchase warrants attached to the 5½% capital notes, series A. **Price** — $15 per share. **Proceeds** — For working capital. **Office**—633 N. Water Street, Milwaukee, Wis. **Underwriter**—None.

Clute Corp.
Aug. 21 (letter of notification) 300,000 shares of common stock (par one cent). **Price**—$1 per share. **Proceeds**—To pay additional costs of construction; and for retirement of obligations and working capital. **Office** — c/o John Harlan Lowell, 2200 Kenton, Aurora, Colo. **Underwriter**—Lowell, Murphy & Co., Inc., Denver, Colo.

Combustion Engineering, Inc.
Dec. 19 filed 64,011 shares of capital stock to be offered in exchange for 81,002 shares of the outstanding common stock and for 2,131 shares of the outstanding $100 par preferred stock of General Nuclear Engineering Corp., at the rate of seven shares and 3.4302 shares of Combustion Engineering stock for each 10 shares of common stock and each share of preferred stock, respectively, of General Nuclear Engineering (of Dunedin, Fla.).

Commerce Oil Refining Corp.
Dec. 16, 1957 filed $25,000,000 of first mortgage bonds due Sept. 1, 1968, $20,000,00 of subordinated debentures due Oct. 1, 1968 and 3,000,000 shares of common stock to be offered in units as follows: $1,000 of bonds and 48 shares of stock and $100 of debentures and nine shares of stock. **Price**—To be supplied by amendment. **Proceeds** — To construct refinery. **Underwriter**—Lehman Brothers, New York. **Offering**—Indefinite.

Commercial Investors Corp.
Nov. 28 (letter of notification) 900,000 shares of common stock. **Price**—At par (10 cents per share). **Proceeds**—For investment. **Office**—450 So. Main St., Salt Lake City, Utah. **Underwriter**—Earl J. Knudson & Co., Salt Lake City, Utah.

Consolidated Edison Co. of New York, Inc. (1/27)
Dec. 23 filed a maximum of $59,778,600 of convertible debentures due Aug. 15, 1973, to be offered for subscription by common stockholders at the rate of $100 principal amount of debentures for each 25 shares of stock held of record on Jan. 26, 1959; rights to expire on Feb. 13. **Price**—100% (flat). **Proceeds**—To repay short-term bank notes, and for additions to utility plant. **Underwriters**—Morgan Stanley & Co. and The First Boston Corp., both of New York.

Consumers Cooperative Association, Kansas City, Mo.
Oct. 29 filed $6,000,000 of 5½% 25-year subordinated certificates of indebtedness, and 60,000 shares of 5½% preferred stock (cumulative to extent earned before patronage refunds). **Price**—For certificates at $100 per unit; and the preferred stock at $25 per share. **Proceeds**—For retirement of maturing certificates of indebtedness, redemptions on request of certificates of indebtedness prior to maturity and of 5½% preferred stock; the possible improvement and expansion of present facilities; and the acquisition of manufacturing plants and crude oil properties if favorable opportunities therefore arise. **Underwriter**—None.

Counselors Research Fund, Inc., St. Louis, Mo.
Feb. 5, 1958, filed 100,000 shares of capital stock, (par one cent). **Price**—At market. **Proceeds**—For investment. **Underwriter** — Counselors Research Sales Corp., St. Louis. Robert H. Green is President.

Cryogenic Engineering Co.
Sept. 22 (letter of notification) 150,000 shares of class A common stock (par 10 cents). **Price**—$2 per share. **Proceeds** — For repayment of loan; purchase of plant and office equipment; raw materials and supplies; and for working capital, etc. **Office**—U. W. National Bank Bldg., 1740 Broadway, Denver, Colo. **Underwriter**—L. A. Huey, Denver, Colo.

★ **Denbo Engineering & Sales Co., Inc.**
Dec. 31 (letter of notification) 1,600 shares of class A common stock (no par) and 6,400 shares of class B common stock (no par) to be offered in units of one share of class A and four shares of class B stock. **Price**—$125 per unit. **Proceeds**—For working capital. **Office**—3301 Martindale Avenue, Indianapolis, Ind. **Underwriter**—None.

Derson Mines Ltd.
June 5 filed 350,000 shares of common stock. **Price**—$1 per share. **Proceeds**—For new equipment, repayment of loan, acquisition of properties under option, and other corporate purposes. **Office**—Toronto, Canada, and Emporium, Pa. **Underwriter**—None.

Diversified Inc., Amarillo, Texas
Jan. 6 filed 300,000 shares of common stock (par 50 cents). **Price**—$3 per share. **Proceeds**—For acquisition of undeveloped real estate, for organization or acquisition of consumer finance business, and balance to be used for working capital. **Underwriter** — Investment Service Co., Denver, Colo., on a best efforts basis.

Edgcomb Steel of New England, Inc.
Dec. 5 (letter of notification) 30,000 shares of class A common stock (par $5). **Price**—$10 per share. **Proceeds**—To pay off current notes payable to bank and to increase working capital. **Office** — 950 Bridgeport Ave., Milford, Conn. **Underwriter**—None.

★ **Electro-Voice, Inc., Buchanan, Mich.**
Jan. 13 filed 150,000 shares of capital stock, of which 75,000 shares will be offered for the account of selling stockholders. **Price** — To be supplied by amendment. **Proceeds** — For working capital. **Underwriter** — F. S. Moseley & Co., Boston, Mass.

★ **Erie Forge & Steel Corp.**
Jan. 9 filed 237,918 shares of common stock, to be offered for subscription by common stockholders at the rate of one new share for each four shares held. **Price**—To be supplied by amendment. **Proceeds**—To complete modernization and expansion program and for working capital. **Underwriters**—Lee Higginson Corp., and P. W. Brooks & Co., Inc., both of New York City.

Ethodont Laboratories, Berkeley, Calif.
Feb. 20, 1958, filed 300,000 shares of common stock. **Price**—At par ($5 per share). **Proceeds**—To cover operating expense during the development period of the corporation. **Underwriter**—None.

• **Federated Corp. of Delaware**
Dec. 29 filed $918,000 of 6% convertible subordinated debentures due 1968. The company proposes to offer $210,000 of the debentures to purchase the capital stock of Consumers Time Credit, Inc., a New York company; $442,000 of the debentures in exchange for Consumers debentures; and $226,000 of the debentures in exchange for the outstanding 12% debentures of three subsidiaries of Federated. **Office**—1 South Main Street, Port Chester, N. Y. **Underwriter**—None.

Federated Finance Co.
Nov. 17 (letter of notification) $300,000 of 10-year 6% senior subordinated debentures. **Price**—At par (in denominations of $1,000 each). **Proceeds** — For working capital, to make loans, etc. **Office**—2104 "O" St., Lincoln, Neb. **Underwriters** — J. Cliff Rahel & Co. and Eugene C. Dinsmore, Omaha, Neb.

★ **Fidelity Capital Fund, Inc., Boston, Mass. (2/9)**
Jan. 12 filed 1,000,000 shares of capital stock. **Price**—$12 per share. **Proceeds** — For investment. **Distributors**—Hornblower & Weeks, Chicago, Ill., and The Crosby Corp., Boston, Mass.

Finance For Industry, Inc.
Dec. 16 filed 200,000 shares of class A common stock. **Price**—At par ($1.50 per share). **Proceeds**—For working capital. **Office**—508 Ainsley Bldg., Miami, Fla. **Underwriter** — R. F. Campeau Co., Penobscot Bldg., Detroit, Mich.

Florida Builders, Inc.
Dec. 1 filed $4,000,000 of 6% 15-year sinking fund subordinated debentures and 40,000 shares of common stock, to be offered in units of $100 principal amount of debentures and one share of common stock. **Price** — $110 per unit. **Proceeds**—For purchase and development of subdivision land, including shopping site; for new equipment and project site facilities; for financing expansion program; and for liquidation of bank loans and other corporate purposes. **Office**—700 43rd St., South, St. Petersburg, Fla. **Underwriter**—None.

• **Florida Public Utilities Co. (1/26-30)**
Jan. 7 filed 32,500 shares of cumulative convertible preferred stock (par $20). **Price** — To be supplied by amendment. **Proceeds**—To finance part of company's construction program. **Underwriters**—White, Weld & Co., Starkweather & Co., both of New York; and Clement A. Evans & Co., Inc., Atlanta, Ga.

Fluorspar Corp. of America
Oct. 14 (letter of notification) 133,333 shares of common stock (par 25 cents). **Price**—$2.25 per share. **Proceeds**—For mining expenses. **Office**—4334 S. E. 74th Ave., Portland 6, Ore. **Underwriter** — Ross Securities Inc., New York, N. Y.

Fort Pierce Port & Terminal Co.
Nov. 25 filed 2,138,500 shares of common stock (par $1). **Price**—$1.25 per share. **Proceeds**—To pay short-term loans and for completing company's Port Development Plan and rest added to general funds. **Office** — Fort Pierce, Fla. **Underwriter**—Frank B. Bateman, Ltd., Palm Beach, Fla.

★ **Foundation Investment Corp., Atlanta, Ga.**
Jan. 13 filed 231,988 shares of common stock to be offered for subscription by stockholders; unsold portion

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NEW ISSUE CALENDAR

January 16 (Friday)

Hilton Credit Corp. .... Common
(Offering to stockholders—underwritten by Carl M. Loeb, Rhoades & Co.) 1,927,383 shares

Israel Investors Corp. .... Common
(No underwriter) $4,626,000

Vita Food Products, Inc. .... Common
(Granberry, Marache & Co.) 12,000 shares

January 19 (Monday)

Gulf States Utilities Co. .... Bonds
(Bids noon EST) $10,000,000

Industro Transistor Corp. .... Common
(S. D. Fuller & Co.) 150,000 shares

Seiberling Rubber Co. .... Common
(Offering to stockholders—to be underwritten by Eastman Dillon, Union Securities & Co.) 106,841 shares

Spur Oil Co. .... Common
(Equitable Securities Corp.) 1,000,000 shares

January 20 (Tuesday)

Kaman Aircraft Corp. .... Debentures
(Paine, Webber, Jackson & Curtis) $1,250,000

Rockland-Atlas National Bank of Boston .... Common
(Offering to stockholders—underwritten by The First Boston Corp.) 40,000 shares

Southern California Edison Co. .... Common
(The First Boston Corp. and Dean Witter & Co.) 500,000 shares

Southern Natural Gas Co. .... Bonds
(Bids 11 a.m. EST) $35,000,000

January 21 (Wednesday)

Borman Food Stores, Inc. .... Common
(Shields & Co.) 404,900 shares

Chicago, Milwaukee, St. Paul & Pacific RR. .... Equipment Trust Ctfs.
(Bids noon CST) $5,850,000

Indiana & Michigan Electric Co. .... Bonds
(Bids 11 a.m. EST) $20,000,000

Pacific Automation Products, Inc. .... Common
(William R. Staats & Co.) 60,000 shares

Technology Instrument Corp. .... Common
(Shearson, Hammill & Co.) 130,000 shares

January 22 (Thursday)

Carraco Oil Co. .... Common
(Berry & Co.) $300,000

Heliogen Products, Inc. .... Common
(Albion Securities Co.) $144,000

Jet-Aer Corp. .... Common
(No underwriter) $100,000

Rohr Aircraft Corp. .... Common
(The First Boston Corp. and Lester, Ryons & Co.) 300,000 shares

Ryder System, Inc. .... Common
(Blyth & Co., Inc.) 150,000 shares

January 23 (Friday)

Home Owners Life Insurance Co. .... Common
(Offering to stockholders—underwritten by H. Hentz & Co.)

Mobile Gas Service Corp. .... Common
(Offering to stockholders—underwriten by The First Boston Corp. and Robinson, Humphrey & Co.) 33,000 shares

National State Bank .... Common
(Offering to stockholders—underwritten by Clark, Dodge & Co.) $4,000,000

January 26 (Monday)

Arnold Altex Aluminum Co. .... Common
(Cruttenden, Podesta & Co.) 250,000 shares

Central Hudson Gas & Electric Corp. .... Common
(Kidder, Peabody & Co.) 350,000 shares

Florida Public Utilities Co. .... Preferred
(White, Weld & Co.; Starkweather & Co.; and Clement A. Evans & Co., Inc.) $650,000

Holiday Inns of America, Inc. .... Common
(Offering to stockholders—underwritten by Equitable Securities Corp.) 35,298 shares

Transcontinental Gas Pipe Line Corp. .... Bonds
(White, Weld & Co and Stone & Webster Securities Corp.) $35,000,000

Wen Wood Organizations, Inc. .... Common
(Michael G. Kletz & Co., Inc.) $300,000

January 27 (Tuesday)

Avco Manufacturing Corp. .... Debentures
(Offering to stockholders-underwritten by Lehman Brothers and Emanuel, Deetjen & Co.) $15,000,000

Central Illinois Public Service Co. .... Bonds
(Bids 11:30 a.m. EST) $12,000,000

Consolidated Edison Co. of New York, Inc. .... Debs.
(Offering to stockholders—to be underwritten by Morgan Stanley & Co. and The First Boston Corp.) $59,778,000

January 28 (Wednesday)

Inland Steel Co. .... Bonds
(Kuhn, Loeb & Co.) $50,000,000

Northwest Natural Gas Co. .... Bonds
(Lehman Brothers) $7,000,000

February 2 (Monday)

Blossman Hydratane Gas, Inc. .... Debens. & Com.
(S. D. Fuller & Co. and Howard Weil, Labouisse, Friedrichs & Co.) $1,200,000 debentures and 120,000 common shares

Connecticut Light & Power Co. .... Common
(Offering to stockholders—underwritten by Morgan Stanley & Co.; Putnam & Co.; Estabrook & Co.; and Chas. W. Scranton & Co.) $15,000,000

February 3 (Tuesday)

Universal Oil Processes, Inc. .... Common
(Lehman Brothers; Smith, Barney & Co.; and Merrill Lynch, Pierce, Fenner & Smith, Inc.) 2,900,000 shares

February 4 (Wednesday)

Southern Co. .... Common
(Bids 11:30 a.m. EST) 1,350,000 shares

February 9 (Monday)

Fidelity Capital Fund, Inc. .... Common
(Hornblower & Weeks and The Crosby Corp.) $12,000,000

Investors Research Fund, Inc. .... Common
(Bache & Co.) $5,891,280

February 12 (Thursday)

Government Employees Variable Annuity Life Insurance Co. .... Common
(Offering to stockholders—underwritten by Johnston, Lemon & Co.; Eastman Dillon, Union Securities & Co. and Abacus Fund) $7,500,000

February 17 (Tuesday)

Public Service Co. of Indiana, Inc. .... Bonds
(Bids to be invited) $25,000,000

February 25 (Wednesday)

Illinois Bell Telephone Co. .... Bonds
(Bids to be invited) $50,000,000

March 3 (Tuesday)

Pacific Power & Light Co. .... Common
(Bids to be invited)

April 2 (Thursday)

Gulf Power Co. .... Bonds
(Bids to be invited) $7,000,000

April 15 (Wednesday)

Wisconsin Power & Light Co. .... Bonds
(Bids to be invited) $14,000,000

April 30 (Thursday)

Alabama Power Co. .... Bonds
(Bids to be invited) $20,000,000

May 28 (Thursday)

Southern Electric Generating Co. .... Bonds
(Bids to be invited) $25,000,000

June 2 (Tuesday)

Virginia Electric & Power Co. .... Common
(Bids to be received) $20,000,000 to $25,000,000

June 25 (Thursday)

Mississippi Power Co. .... Bonds
(Bids to be invited) $5,000,000

September 10 (Thursday)

Georgia Power Co. .... Bonds
(Bids to be invited) $18,000,000

Postponed Financing

Montana Power Co. .... Bonds
(Bids to be invited) $20,000,000

Pennsylvania Power Co. .... Bonds
(Bids to be invited) $8,000,000

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to be offered publicly. **Price**—$12.50 per share. **Proceeds**—To repay notes. **Underwriter**—None.

★ Franklin Custodian Funds, Inc., New York
Jan. 8 filed (by amendment) an additional 200,000 of Special Series Shares. **Price**—At market. **Proceeds**—For investment.

Gas Light Co. of Columbus
Dec. 30 (letter of notification) 15,000 shares of common stock (par $4). **Price** — $19 per share. **Proceeds**—For working capital. **Office** — 107 13th St., Columbus, Ga. **Underwriter**—None.

General Alloys Co.
Nov. 17 (letter of notification) 45,250 shares of common stock (par $1) of which 16,900 shares are to be offered to employees and the remainder to the public. **Price**—To employees, $1.1805 per share. **Proceeds**—To purchase and install machinery and equipment. **Office**—367-405 West First St., Boston, Mass. **Underwriter**—William S. Prescott & Co., Boston, Mass.

General Aniline & Film Corp., New York
Jan. 14, 1957 filed 426,988 shares of common A stock (no par) and 1,537,500 shares of common B stock (par $1) Proceeds—To the Attorney General of the United States Underwriter—To be determined by competitive bidding Probable bidders: Blyth & Co., Inc., and The First Boston Corp. (jointly); Kuhn, Loeb & Co.; Lehman Brothers, and Glore, Forgan & Co. (jointly). Bids—Had been scheduled to be received up to 3:45 p.m. (EDT) on May 13 at Room 654, 101 Indiana Ave., N. W., Washington 25, D. C., but bidding has been postponed.

● Government Employees Variable Annuity Life Insurance Co. (2/12)
Nov. 13 filed 2,500,000 shares of common stock (par $1) to be offered by company on or about Feb. 12, 1959, viz: (1) to holders of common stock (par $4) of Government Employees Insurance Co., on the basis of one warrant per share of stock held on Jan. 30, 1959 (1,334,570 shares are now outstanding); (2) to holders of common stock (par $1.50) of Government Employees Life Insurance Co., on the basis of 1½ warrants per share of stock held on Jan. 30, 1959 (216,429 shares are now outstanding); and (3) to holders of common stock (par $5) of Government Employees Corp., on the basis of ½ warrant per share of stock held on Jan. 30, 1959 (as of Sept. 30, 1958 there were 143,127 shares of stock outstanding and $614,360 of 5% convertible capital debentures due 1967, convertible into shares of common at $28.0374 per share. If all these debentures were converted into common stock prior to the record date, a total of 164,724 common shares would be outstanding. Warrants will expire on Feb. 27, 1959. **Price**—$3 per share. **Proceeds**—For capital and surplus. **Office** — Government Employees Insurance Building, Washington, D. C. **Underwriters** — Johnston, Lemon & Co., Washington, D. C.; Eastman Dillon, Union Securities & Co., New York; and Abacus Fund, Boston, Mass.

Grain Elevator Warehouse Co.
Nov. 3 filed 100,000 outstanding shares of common stock (par 10 cents). National Alfalfa Dehydrating & Milling Co., holder of the 100,000 common shares, proposes to offer to its stockholders preferential warrants to subscribe to 98,750 shares of Grain Elevator stock on the basis of one warrant to purchase one-eighth share of Grain Elevator stock for each share of National Alfalfa common held on Nov. 17, 1958; rights to expire Dec. 31. **Price**—$2 per share. **Proceeds**—To selling stockholder. **Office** — 927 Market Street, Wilmington, Del. **Underwriter**—None.

● Grand Union Co.
Oct. 29 filed 187,534 shares of common stock (par $5) being offered in exchange for outstanding common stock of Sunrise Supermarkets Corp. at the rate of one share of Grand Union stock for each 2.409 shares of Sunrise stock. The offer was declared effective as of Dec. 31, 1958, and has been extended.

Great American Publications, Inc.
Dec. 15 (letter of notification) 130,000 shares of common stock (par 10 cents), of which 30,000 shares will be offered for 30 days to the company's employees, and to the company's news dealers, wholesalers and distributors and their employees at $1.65 per share; and 100,000 shares will be offered to general public at $2 per share. **Proceeds**—To satisfy creditors' claims and for general corporate purposes. **Office**—41 E. 42nd St., New York 17, N. Y. **Underwriter**—Mortimer B. Burnside & Co., Inc., New York 5, N. Y.

Guaranty Life Insurance Co. of America
Nov. 14 filed 88,740 shares of class A common capital stock (par $1.80). **Price**—$5.35 per share. **Proceeds**—To increase capital and surplus. **Office**—815 15th Street, N. W., Washington, D. C. **Underwriter**—None. Statement effective Dec. 19.

Gulf States Utilities Co. (1/19)
Dec. 11 filed $10,000,000 of first mortgage bonds due 1989. **Proceeds**—To repay bank loans and for construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Smith and White Weld & Co. (jointly); Stone & Webster Securities Corp.; and Salomon Bros. & Hutzler and Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected to be received up to noon (EST) on Jan. 19 at The Hanover Bank, 70 Broadway, New York 15, N. Y.

Hamilton Oil & Gas Corp.
Oct. 22 filed 1,000,000 shares of common stock (par 25 cents). **Price**—$2 per share. **Proceeds**—To acquire funds to test drill, explore, and develop oil and gas properties **Underwriter**—None. [The registration includes an additional 588,000 common shares issuable upon exercise of 1,176,000 options rights previously offered (Oct. 19, 1957), which rights entitle the original purchaser thereof to purchase one-half share of stock at 50 cents per share at the expiration of 13 months after commencement of such offering.]

Heartland Development Corp.
Oct. 23 (letter of notification) 22,820 shares of non-voting convertible preference stock (par $12) to be offered for subscription by stockholders on the basis of one share of convertible preference stock for each 10 shares of common stock held on or about Nov. 1, 1958. Stockholders will have 45 days in which to exercise the rights. **Price** — At par. **Proceeds** — To repay debts, acquisition of investments, and for general purposes. **Address**—P. O. Box-348, Albany, N. Y. **Underwriter**—None.

● Heliogen Products, Inc. (1/22-26)
Oct. 22 (letter of notification) 28,800 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—For payment of past due accounts and loans and general working capital. **Office** — 35-10 Astoria Blvd., L. I. C. 3, N. Y. **Underwriter**—Albion Securities Co., Suite 1512, 11 Broadway, New York 4, N. Y.

Highland Telephone Co.
Dec. 29 (letter of notification) 2,250 shares of common stock (no par) to be offered for subscription by common stockholders. **Price** — $45 per share. **Proceeds** — To repay bank loans and for construction of a new telephone plant. **Office**—145 North Main St., Monroe, N. Y. **Underwriter**—None.

Highway Trailer Industries, Inc.
Nov. 24 filed 473,000 outstanding shares of common stock (par 25 cents). **Price**—At prices generally prevailing on the American Stock Exchange. **Proceeds** — To selling stockholders. **Office**—250 Park Avenue, N. Y. **Underwriter**—None.

● Hilton Credit Corp., Beverly Hills, Calif. (1/16)
Dec. 18 filed 1,927,383 shares of common stock (par $1) to be offered for subscription by common stockholders of record Jan. 15 of Hilton Hotels Corp. at the rate of one share of Hilton Credit stock for each two shares of Hilton Hotels stock; rights to expire on Feb. 2. **Price**—$3.25 per share. **Proceeds** — Together with bank loans, will comprise the operating funds of Hilton Credit and will be used for general corporate purposes and to finance the company's purchase of charge accounts from Hilton Hotels and other establishments who may agree to honor Carte Blanche cards. **Underwriter** — Carl M. Loeb, Rhoades & Co., New York.

Hinsdale Raceway, Inc., Hinsdale, N. H.
Dec. 29 filed capital trust certificates evidencing 1,000,000 shares of capital stock, and 2,000 debenture notes. **Price**—The common stock at par ($1 per share) and the notes in units of $500 each. **Proceeds**—For construction of a track, including land, grandstand, mutual plant building, stables and paddock, dining hall, service building, administrative building, penthouse, tote board and clubhouse. **Underwriter**—None.

Hoagland & Dodge Drilling Co., Inc.
June 12 filed 27,000 shares of capital stock. Price—$10 per share. Proceeds—To be used in part for the exploration of mines and development and operation of mines and in payment of indebtedness. Office—Tucson Ariz. Underwriter—None.

Holiday Inns of America, Inc. (1/26-30)
Dec. 30 filed 35,298 shares of common stock, to be offered for subscription by common stockholders (other than the Board Chairman and President and their families) at the rate of one new share for each four shares held. **Price**—To be supplied by amendment. **Proceeds**—In addition to other funds, to be added to working capital and to complete the current portions of construction costs. **Underwriter**—Equitable Securities Corp., Nashville, Tenn.

★ Holiday Mines, Inc.
Dec. 31 (letter of notification) 30,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—For mining expenses. **Office**—c/o Edward Goldberg, President, 2093 N. Lake Way,, Bremerton, Wash. **Underwriter**—None.

Home Owners Life Insurance Co. (1/23)
Dec. 19 filed 153,840 shares of common stock to be offered for subscription by stockholders (for a 14-day standby) on the basis of one additional share for each two shares held as of Jan. 23, 1959 (with a 15-day standby). **Price**—To be supplied by amendment. **Proceeds**—For working capital. **Office** — Fort Lauderdale, Fla. **Underwriter**—H. Hentz & Co., New York. **Offering**—Expected late in January.

● Home-Stake Production Co., Tulsa, Okla.
Nov. 5 filed 116,667 shares of common stock (par $5). **Price**—$6 per share. **Proceeds**—For working capital and general corporate purposes. **Office** — 2202 Philtower Bldg., Tulsa, Okla. **Underwriter**—None.

I. C. P. Israel Citrus Plantations Ltd.
Dec. 23 filed 750,000 shares of common stock. **Price**—$1 per share. **Proceeds**—To be used for new packing houses, for purchase of citrus groves and for the planting of new groves. **Office**—Tel Aviv, Israel. **Underwriters**—None.

Indiana & Michigan Electric Co. (1/21)
Sept. 26 filed $20,000,000 of first mortgage bonds due Nov. 1, 1988. **Proceeds**—To retire bank loans used for construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.; The First Boston Corp.; Harriman Ripley & Co. Inc. **Bids**—Expected to be received up to 11 a.m. (EST) on Jan. 21.

Industrial Minerals Corp., Washington, D. C.
July 24 filed 600,000 shares of common stock (par one cent). Price—$1 per share. Proceeds—To develop and operate graphite and mica properties in Alabama. Underwriters—Dearborn & Co. and Carr-Rigdom & Co., both of Washington, D. C., on a best efforts basis. Statement effective Nov. 18.

Industro Transistor Corp. (N. Y.) (1/19-23)
Feb. 28, 1958, filed 150,000 shares of common stock (par 10 cents); reduced to 135,000 shares by amendment subsequently filed. **Price**—To be related to the market price. **Proceeds**—For working capital and to enlarge research and development department. **Underwriter**—S. D. Fuller & Co., New York.

★ Inland Steel Co. (1/28)
Jan. 8 filed $50,000,000 of first mortgage bonds, series L, due Feb. 1, 1989. **Price**—To be supplied by amendment. **Proceeds**—For working capital and capital expenditures. **Underwriter**—Kuhn, Loeb & Co., New York.

International Bank, Washington, D. C.
Dec. 29 filed $5,000,000 of notes (series B, $500,000, two-year, 3% per unit; series C, $1,000,000, four-year 4% per unit; and series D, $3,500,000, 6-year, 5% per unit). **Price**—100% of principal amount. **Proceeds** — For working capital. **Underwriter**—Johnston, Lemon & Co., Washington, D. C.

Investment Corp. of Florida
Oct. 9 (letter of notification) 55,555 shares of common stock (par two cents). **Price**—$4.50 per share. **Proceeds**—For capital account and paid-in surplus. **Office**—Atlantic Federal Building, 1750 E. Sunrise Boulevard, Ft. Lauderdale, Fla. **Underwriter**—None.

★ Investors Research Fund, Inc. (2/9)
Jan. 9 filed 490,940 shares of common stock. **Price**—$12 per share. **Proceeds**—For investment. **Office**—922 Laguna St., Santa Barbara, Calif. **Investment Advisor**—Investors Research Co., Santa Barbara, Calif. **Underwriter**—Bache & Co., New York.

● Israel Investors Corp. (1/16-19)
Dec. 1 filed 46,260 shares of common stock. **Price**—$100 per share. **Proceeds**—For investment. **Office**—19 Rector Street, New York, N. Y. **Underwriter**—None.

★ Israel (The State of)
Jan. 8 filed $300,000,000 of second development bonds, part to consist of 15-year 4% dollar coupon bonds (to be issued in five series maturing serially from March 1, 1974 to March 1, 1978) and 10-year dollar savings bonds (each due 10 years from first day of the month in which issued). **Price**—100% of principal amount. **Proceeds**—For improvements, etc. **Underwriter**—Development Corp. for Israel, 215 Fourth Ave., New York City.

Itemco Inc.
Nov. 28 (letter of notification) 200,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—To acquire machinery and equipment and additional space for test laboratories; and for working capital. **Office**—4 Manhasset Ave., Port Washington, L. I., N. Y. **Underwriter** — B. Fennekohl & Co., 205 East 85th St., New York, N. Y.

● Jet-Aer Corp., Paterson, N. J. (1/22)
Dec. 5 (letter of notification) 10000 shares of class A common stock (par $1.50). **Price** — $10 per share. **Proceeds**—For purchase of modern automatic filling equipment and for marketing and advertising program. **Office**—85-18th Ave., Paterson, N. J. **Underwriter**—None.

Kaman Aircraft Corp., Bloomfield, Conn. (1/20)
Dec. 15 filed $1,250,000 of 6% convertible subordinated debentures due 1974. **Price**—To be supplied by amendment. **Proceeds**—For working capital. **Underwriter**—Paine, Webber, Jackson & Curtis, Boston, Mass.

Kimberly-Clark Corp.
Dec. 30 filed 225,000 shares of common stock to be offered in exchange for the common stock of the American Envelope Co. of West Carrollton, Ohio, on the basis of three-quarters of a share of Kimberly stock for each share of American. The offer will expire on Feb. 27, 1959. The exchange is contingent on acceptance by all of the stockholders.

★ Knob Hill Finance Co.
Jan. 7 (letter of notification) 1,500 shares of 6% cumulative preferred stock. **Price**—At par ($100 per share). **Proceeds**—For working capital. **Office**—2312 E. Bijou St., Colorado Springs, Colo. **Underwriter**—None.

Laure Exploration Co., Inc., Arnett, Okla.
Dec. 23 filed 400,000 shares of common stock. **Price**—$2 per share. **Proceeds**—For machinery and equipment and exploration purposes. **Underwriter**—None.

Life Insurance Securities Corp.
March 28, 1958, filed 1,000,000 shares of capital stock (par $1). **Price**—$5 per share. **Proceeds**—To acquire stock control of "young, aggressive and expanding life and other insurance companies and related companies and then to operate such companies as subsidiaries." **Underwriter**—First Maine Corp., Portland, Me.

Los Angeles Drug Co.
Oct. 3 filed 50,000 shares of capital stock, to be offered for subscription by holders of outstanding stock, on a pro rata basis. Any shares not so sold will be offered on an exchange basis to holders of outstanding 5% sinking fund debentures. **Price**—$10.50 per share to stockholders; $11.50 to public. **Proceeds**—$328,300 to redeem outstanding 5% sinking fund debentures and $189,200 to reduce short term bank loans. **Office**—Los Angeles, Calif. **Underwriter**—Quincy Cass Associates, Los Angeles, Calif.

LuHoc Mining Corp.
Sept. 29 filed 350,000 shares of common stock. **Price**—$1 per share. **Proceeds** — For the acquisition of properties under option and for various geological expenses, test drilling, purchase of equipment, and other similar purposes. **Offices**—Wilmington, Del., and Emporium, Pa. **Underwriter**—None.

M. C. A. Credit Co., Inc., Miami, Fla.
Oct. 6 filed 100,000 shares of common stock. **Price**—$5 per share. **Proceeds**—To reduce current indebtedness to

Walter E. Heller & Co. **Underwriter**—Plymouth Bond & Share Corp., Miami, Fla.

★ Mairco, Inc.
Jan. 6 (letter of notification) 600 shares of common stock to be offered for subscription by stockholders of record Jan. 10, 1959 on the basis of one share of additional common stock for each five shares held; rights to expire on Jan. 30, 1959. **Price**—At par ($100 per share). **Proceeds**—For inventory and working capital. **Office**—1026 N. Main Street, Goshen, Ind. **Underwriter**—None.

Mammoth Mountain Inn Corp.
Dec. 10 (letter of notification) 70,000 shares of common stock (par $5). **Price**—$5.50 per share. **Proceeds**—To be used to build and operate and all-year resort hotel. **Office**—Suite 204, 8907 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—None. Letter to be amended.

★ Massachusetts Investors Growth Stock Fund, Inc.
Jan. 12 filed 5,000,000 shares of capital stock. **Price**—At market. **Proceeds**—For investment.

Merchants Petroleum Co.
Oct. 8 (letter of notification) 159,395 shares of common stock (par 25 cents) being offered for subscription by stockholders of record Nov. 24, 1958 on the basis of one new share for each five shares held; rights to expire Jan. 15, 1959 (with an oversubscription privilege). **Price**—$1.40 per share. **Proceeds** — To reduce bank loan; to increase working capital and for general corporate purposes. **Office**—617 W. 7th Street, Los Angeles, Calif. **Underwriter**—None.

★ Metropolitan Mines Corp., Ltd., Wallace, Idaho
Dec. 29 (letter of notification) 250,000 shares of class A common stock. **Price**—At par (10 cents per share). **Proceeds**—For mining expenses. **Underwriter**—None.

Meyer-Blanke Co.
Dec. 29 (letter of notification) 13,500 shares of common stock (no par). **Price**—At the market (Midwest Stock Exchange). **Proceeds**—To selling stockholders. **Office**—310 Russell St., St. Louis, Mo. **Underwriter**—Smith Moore & Co., St. Louis, Mo.

Mid-Atlantic Marina, Inc., Baltimore, Md.
Oct. 23 (letter of notification) 60,000 shares of 7% preferred stock (par $3.50). **Price**—$5 per share. **Proceeds**—For construction of a marina. **Office** — Room 104, Old Town Bank Bldg., Baltimore 2, Md. **Underwriter**—Maryland Securities Co., Baltimore, Md.

• Military Publishing Institute, Inc.
Dec. 9 (letter of notification) 125,000 shares of common stock (par 5 cents). **Price**—$2 per share. **Proceeds**—For general corporate purposes and working capital. **Office**—55 West 42nd Street, New York 36, N. Y. **Underwriter**—C. H. Abraham & Co., Inc., 565 Fifth Ave., New York 17, N. Y. **Offering**—Expected in latter part of January or early in February.

Millsap Oil & Gas Co.
Dec. 23 filed 602,786 shares of common stock. **Price**—$1 per share. **Proceeds** — For additional working capital. **Office**—Siloam Springs, Ark. **Underwriter**—None.

Mississippi Chemical Corp., Yazoo City, Miss.
Dec. 24 filed 200,000 shares of common stock (par $5) and 8,000 shares of special common stock (par $75). **Price**—For common stock, $8.75 per share; for special common stock, $131.25 per share. **Proceeds**—For construction program, to purchase shares of Coastal Chemical Corp. (a subsidiary), and the balance will be added to surplus. **Underwriter**—None.

Mobile Gas Service Corp. (1/23)
Dec. 30 filed 33,000 shares of common stock (par $5) to be offered for subscription by common stockholders at the rate of one new share for each 10 shares held of record Jan. 21, 1959 (with an oversubscription privilege); rights to expire Feb. 9, 1959. **Price**—To be supplied by amendment. **Proceeds**—To reduce short-term bank loans incurred for the extension and improvement of gas distribution system. **Underwriters** — The First Boston Corp., New York, and The Robinson-Humphrey Co., Inc., Atlanta, Ga

Montana Power Co.
July 1 filed $20,000,000 of first mortgage bonds due 1988. **Proceeds** — Together with other funds, to be used to repay $15,500,000 in bank loans and to carry on the company's construction program through 1959. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Bros.; Merrill Lynch, Pierce, Fenner & Smith, and Stone & Webster Securities Corp. (jointly); White, Weld & Co.; Eastman Dillon, Union Securities & Co.; Kidder Peabody & Co., Smith, Barney & Co. and Blyth & Co., Inc. (jointly). **Bids**—Had been expected to be received up to noon (EDT) on Aug. 26 at Room 2033, Two Rector St., New York, N. Y., but company on Aug. 22 again decided to defer sale pending improvement in market conditions.

Montana Power Co.
July 1 filed 100,000 shares of common stock (no par). The stock will be offered only to bona fide residents of Montana. **Price**—To be related to the current market price on the New York Stock Exchange. **Proceeds**—Together with other funds, to carry on the company's construction program through 1959. **Manager-Dealers**—Smith, Barney & Co., Kidder, Peabody & Co. and Blyth & Co., Inc.

★ Mutual Service Cooperative
Jan. 2 (letter of notification) 396 shares of common stock. **Price**—At par ($10 per share). **Proceeds** — For working capital. **Office**—1919 University Ave., St. Paul, Minn. **Underwriter**—None.

National Theatres, Inc., Los Angeles, Calif.
Dec. 30 filed $20,000,000 5½% sinking fund subordinated debentures due March 1, 1974 and 485,550 common stock purchase warrants to purchase 121,387 shares of $1 par common stock to be offered in exchange for National Telefilm Associates, Inc. common stock at the rate of $11 of debentures and one warrant to purchase one-quarter of a share of National Theatres, Inc. stock for each NTA share. **Dealer-Managers**—Cruttenden, Podesta & Co., Cantor, Fitzgerald & Co., Inc. and Westheimer & Co.

Naylor Engineering & Research Corp.
Sept. 29 (letter of notification) 300,000 shares of cumulative voting and non-assessable common stock. **Price**—At par ($1 per share). **Proceeds**—For organizational expenses and first three months' operational expenses. **Office**—1250 Wilshire Blvd., Los Angeles 17, Calif. **Underwriter**—Waldron & Co., San Francisco 4, Calif.

Nedow Oil Tool Co.
May 5 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Proceeds**—To pay loan; to acquire fishing tools for leasing; and for working capital. **Office**—931 San Jacinto Bldg., Houston, Tex. **Underwriter**—T. J. Campbell Investment Co., Inc., Houston, Tex.

★ Nekoosa-Edwards Paper Co.
Jan. 6 (letter of notification) 6,521 shares of class A common stock (par $10) and 6,521 shares of class B common stock (par $10) to be offered to employees in units of one share of each class of stock. **Price**—At the nearest quarter of a point above 95% of the market price at the date of grant of option (which ranges from $44.25 to $38.25 per share). **Proceeds**—For general corporate purposes. **Office**—c/o John E. Alexander, President, 311 Wisconsin River Drive, Port Edwards, Wis. **Underwriter**—None.

★ Nelly Don, Inc.
Jan. 9 filed 52,600 outstanding shares of common stock. **Price** — To be supplied by amendment. **Proceeds** — To selling stockholders. **Office** — 3500 E. 17th Street, Kansas City, Mo. **Underwriters**—Stern Brothers & Co. and Barret, Fitch, North & Co., Inc., both of Kansas City, Mo.

New Jersey Investing Fund, Inc., New York
Dec. 9 filed 200,000 shares of capital stock. **Price**—At market. **Proceeds**—For investment. **Investment Adviser and Distributor**—Spear, Leeds & Kellogg, New York.

Northern Insurance Co. of New York
Dec. 5 filed 145,200 additional shares of capital stock (par $12.50) being offered for subscription by stockholders of record Dec. 23, 1958, at the rate of one new share for each two shares then held; rights to expire on Jan. 19. **Price** — $36 per share. **Proceeds** — To increase capital and surplus. **Underwriters**—The First Boston Corp. and Wood, Struthers & Co., both of New York.

• Northwest Natural Gas Co. (1/28)
Jan. 7 filed $7,000,000 of first mortgage bonds due Feb. 1, 1984. **Price**—To be supplied by amendment. **Proceeds**—To be used for partial payment of bank loans. **Underwriter**—Lehman Brothers, New York.

★ Nucleonics, Chemistry & Electronics Shares, Inc.
Jan. 12 filed (by amendment) an additional $3,000,000 monthly investment plans with and without insurance and single investment plans. **Office**—Englewood, N. J.

Nylonet Corp.
Nov. 24 (letter of notification) 600,000 shares of common stock (par 10 cents). **Price**—50 cents per share. **Proceeds**—For working capital. **Office**—20th Ave., N. W. 75th St., Miami, Fla. **Underwriter**—Cosby & Co., Clearwater, Fla.

Oak Ridge, Inc.
Sept. 4 (letter of notification) 100,000 shares of common stock (par $1). **Price** — $3 per share. **Proceeds** — For working capital. **Office**—11 Flamingo Plaza, Hialeah, Fla. **Underwriter** — Henry & Associates, Inc., 11 Flamingo Plaza, Hialeah, Fla.

O. K. Rubber Welders, Inc.
Dec. 15 filed 60,600 shares of common stock, $43,333.33 of 3¼% debentures maturing on or before May 6, 1965, $692,000 of 6% debentures maturing on or before Dec. 31, 1974 and $123,000 of 7% debentures due on or before May 6, 1965. The company proposes to make a public offering of 25,000 shares of common stock at $10 per share. The remaining shares and the debentures are subject to an exchange offer between this corporation O. K. Rubber, Inc., and O. K. Ko-op Rubber Welding System, on an alternative basis. **Proceeds**—Of the public offering, will be used for additional working capital and/or to service part of the company's debt. **Office**—551 Rio Grande Ave., Littleton, Colo. **Underwriter**—None.

Odlin Industries, Inc.
Nov. 12 filed $250,000 of 5½% convertible debentures and 250,000 shares of common stock (par 10 cents). **Price**—Debentures at 100% and stock at $3 per share. **Proceeds**—To purchase a textile mill, machinery, equipment and raw materials, and to provide working capital. **Office**—375 Park Ave., New York, N. Y. **Underwriter**—Harris Securities Corp., New York, N. Y., on a best efforts basis.

Oil, Gas & Minerals, Inc.
Nov. 16 (letter of notification) 116,000 shares of common stock (par 35 cents). **Price**—$1 per share. **Proceeds**—For development of oil and gas properties. **Office**—513 International Trade Mart, New Orleans 12, La. **Underwriter**—Assets Investment Co., Inc., New Orleans, La.

Oppenheimer Fund, Inc.
Dec. 5 filed 100,000 shares of capital stock. **Price**—At market (about $10 per share). **Proceeds**—For investment. **Office**—25 Broad St., New York. **Underwriter**—Oppenheimer & Co., New York. **Offering** — Expected sometime in February.

• Pacific Automation Products, Inc. (1/21)
Dec. 31 filed 60,000 shares of capital stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Underwriter**—William R. Staats & Co., Los Angeles, Calif.

Paramount Mutual Fund, Inc.
Jan. 2 filed 300,000 shares of capital stock. **Price**—Minimum purchase of shares is $2,500. **Proceeds**—For investment. **Office**—404 North Roxbury Drive, Beverly Hills, Calif. **Underwriter**—Paramount Mutual Fund Management. Co.

Peckman Plan Fund, Inc., Pasadena, Calif.
May 19 filed 20,000 shares of common stock (par $1). **Price**—At market. **Proceeds**—For investment. **Underwriter**—Investors Investments Corp., Pasadena, Calif.

Pennsylvania Power Co.
Aug. 1 filed $8,000,000 of first mortgage bonds due 1988. **Proceeds**—To redeem a like amount of 5% first mortgage bonds due 1987. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; White Weld & Co.; Equitable Securities Corp., and Shields & Co. (jointly); Lehman Brothers, Eastman Dillon, Union Securities & Co., Salomon Bros. & Hutzler and Ladenburg, Thalmann & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith and Dean Witter & Co. (jointly). **Bids** — Tentatively had been expected to be received up to 11 a.m. (EDT) on Aug. 27 but company on Aug. 22 decided to defer sale pending improvement in market conditions.

Pennsylvania Power & Light Co.
Dec. 17 filed 295,841 shares of common stock (no par) being offered by the company for subscription by its common stockholders of record Jan. 6, 1959, at the rate of one new share for each 20 shares then held; rights to expire on Jan. 26. Employees will be given a contingent subscription privilege. **Price**—$50 per share. **Proceeds**—To be added to the general funds of the company and used for general corporate purposes. **Underwriters**—The First Boston Corp., New York, and Drexel & Co., Philadelphia, Pa.

Pioneer Trading Corp., Bayonne, N. J.
Nov. 10 filed 10,000 shares of $8 cumulative preferred stock, series A (par $100) and $1,000,000 of 8% subordinated debentures, series A, due Dec. 1, 1968 to be offered in units of a $500 debenture and five shares of preferred stock. **Price**—$1,000 per unit. **Proceeds** — For general corporate purposes. **Underwriter**—None.

Plastic Applicators, Inc.
Dec. 29 (letter of notification) $150,000 of 6% convertible sinking fund debentures due Jan. 2, 1969 and 30,000 shares of common stock (par $1). **Price**—Of debentures, at par; of stock, $5 per share. **Proceeds** — To purchase new equipment and for working capital. **Office**—7020 Katy Rd., Houston, Tex. **Underwriter**—A. G. Edwards & Sons, St. Louis 1, Mo.

Prairie Fibreboard Ltd.
Aug. 18 filed 209,993 shares of common stock (par $1.50) to be offered for sale to residents of Canada in the Provinces of Manitoba, Saskatchewan and Alberta and to residents of the United States "only in the State of North Dakota." **Price** — $3 per share. **Proceeds** — For construction purpose. **Office** —Saskatoon, Saskatchewan, Canada. **Underwriter**—Allied Securities Ltd., and United Securities, Ltd., both of Saskatoon, Canada.

Rassco Financial Corp.
June 26 filed $1,000,000 of 15-year 6% series A sinking fund debentures due 1973, to be offered in denominations of $500 and $1,000. **Price**—At par. **Proceeds**—For working capital and general corporate purposes. **Underwriter**—Rassco Israel Corp., New York, on a "best efforts" basis.

Remo Corp., Orlando, Fla.
Sept. 22 filed 100,000 shares of class A common stock. **Price**—To be supplied by amendment. **Proceeds**—For working capital. **Underwriter** — Citrus Securities Co., Orlando, Fla.

★ Reynolds Metals Co.
Jan. 12 filed 550,000 shares of second preferred stock, convertible series (par $100). **Price**—To be supplied by amendment. **Proceeds**—To be used to the extent required to reimburse the company's treasury for the cost of acquisition of ordinary stock of The British Aluminum Co. Ltd. and to meet the cost of any additional acquisition of such stock. **Underwriters**—Dillon, Read & Co. Inc., Reynolds & Co. Inc.. and Kuhn, Loeb & Co., all of New York. **Offering**—Expected sometime in February.

Richwell Petroleum Ltd., Alberta, Canada
June 26 filed 1,998,716 shares of common stock (par $1). Of this stock, 1,174,716 shares are to be sold on behalf of the company and 824,000 shares for the account of certain selling stockholders. The company proposes to offer the 1,174,716 shares for subscription by its shareholders at the rate of one new share for each three shares held (with an oversubscription privilege). The subscription period will be for 30 days following issuance of subscription rights. **Price**—To be supplied by amendment. **Proceeds**—To pay off demand note, to pay other indebtedness, and the balance if any will be added to working capital. **Underwriter** — P a c i f i c Securities Ltd., Vancouver, Canada.

• Rochester Telephone Corp.
Dec. 18 filed 195,312 shares of common stock (par $10) being offered for subscription by common stockholders of record Jan. 9, 1959 on the basis of one new share for each six shares then held; rights to expire on Jan. 26. **Price**—$21 per share. **Proceeds**—To repay bank borrowings. **Underwriter**—The First Boston Corp., New York.

Rohr Aircraft Corp. (1/22)
Dec. 29 filed 300,000 shares of additional common stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—To reduce short-term bank loans and to increase working capital. **Underwriters**—The First Boston Corp., New York, and Lester, Ryons & Co., Los Angeles, Calif.

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Routh Robbins Investment Corp.
Sept. 22 filed $1,000,000 of 10-year 6% cumulative convertible debentures and 99,998 shares of common stock. **Price**—Of debentures, at par (in units of $100 each), and of stock, $1 per share. **Proceeds** — For investments and working capital. **Office**—Alexandria, Va. **Underwriter**—None.

★ Royal McBee Corp.
Jan. 6 filed 94,726 shares of common stock, to be offered under the company's Employee Stock Option and Savings Plan.

St. Paul Ammonia Products, Inc.
Dec. 29 filed 250,000 shares of common stock (par 2½ cents), to be offered for subscription by common stockholders at the rate of one new share for each four shares held. **Price**—$2.50 per share. **Proceeds**—For additional working capital. **Office**—South St. Paul, Minn. **Underwriter**—None.

St. Regis Paper Co.
Dec. 11 filed 288,450 shares of common stock (par $5), being offered in exchange for outstanding shares of capital stock of F. J. Kress Box Co. on the basis of 2¼ Shares of St. Regis common for each share of capital stock of Kress. St. Regis will declare the exchange offer effective if 95% of the outstanding shares of Kress stock are deposited in exchange and may elect to do so if a lesser per cent, but not less than 80%, of Kress shares, are so deposited. Statement effective Dec. 29, 1958.

San Diego Imperial Corp., San Diego, Calif.
Dec. 9 filed 845,000 shares of common stock, to be offered in exchange for all of the 45,000 outstanding shares of capital stock of Silver State Savings & Loan Association and 3,000 shares of capital stock of Silver State Insurance Agency, Inc., both of Denver, Colo.

Seiberling Rubber Co. (1/19)
Dec. 23 filed 106,841 shares of common stock to be offered to common stockholders on the basis of one new share for each four shares held of record Jan. 19, 1959; rights to expire on Feb. 4. **Price**—To be supplied by amendment. **Proceeds** — Together with a proposed $3,000,000 term loan, will be used for general corporate purposes including working capital. **Underwriter**—Eastman Dillon, Union Securities & Co., New York.

Service Life Insurance Co.
Sept. 26 (letter of notification) 3,567 shares of common stock (par $1). **Price**—$18.75 per share. **Proceeds**—To go to a selling stockholder. **Office**—400 W. Vickery Blvd., Fort Worth, Tex. **Underwriter**—Kay & Co., Inc., Houston, Tex.

Shares in America, Inc., Washington, D. C.
Dec. 12 filed 50,000 shares of common stock. **Price**—At market. **Proceeds**—For investment. **Office** — 1033-30th St., N. W., Washington 7, D. C. **Investment Advisor**—Investment Fund Management Corp.

Sheridan-Belmont Hotel Co.
Aug. 19 (letter of notification) $250,000 of 6% convertible debentures due Sept. 15, 1963 to be offered for subscription by common stockholders on a pro rata basis. **Price**—At par. **Proceeds**—For working capital. **Office** — 3172 North Sheridan Rd., Chicago 14, Ill. **Underwriter**—None.

Sire Plan of Elmsford, Inc., New York
Nov. 10 filed $250,000 of 6% 10-year debentures and 5,000 shares of 6% participating preferred stock (par $50) to be offered in units of a $50 debenture and one share of preferred stock. **Price**—$100 per unit. **Proceeds**—For acquisition of motels. **Underwriter**—Sire Plan Portfolios, Inc., New York.

Slick Oil Corp., Houston, Texas
Dec. 8 filed $1,500,000 of participating interests in the corporation's joint venture program, to be offered in minimum amounts of $15,000, payable 20% down and the balance upon demand during 1959. **Proceeds**—To assemble and acquire interests in Canada and Continental United States. **Underwriters**—Rowles, Winston & Co., Houston, Tex., and Dewar, Robertson & Pancoast, San Antonio, Tex. **Offering** — Expected early in January.

● Smith-Corona Marchant, Inc.
Dec. 24 filed $7,443,100 of convertible subordinated debentures due Jan. 1, 1979 to be offered for subscription by common stockholders on the basis of $100 principal amount of debentures for each 25 shares of stock held on or about Jan. 15; rights to expire on or about Jan. 30. **Price**—To be supplied by amendment. **Proceeds**—To reduce bank loans and for working capital. **Underwriter**—Lehman Brothers, New York. **Offering**—Expected today (Jan. 15).

Southern California Edison Co. (1/20)
Dec. 24 filed 500,000 shares of common stock (par $25). **Price**—To be supplied by amendment. **Proceeds**—To repay bank loans and for construction program. **Underwriters**—The First Boston Corp., New York; and Dean Witter & Co., San Francisco, Calif.

★ Southern Co. (2/4)
Jan. 9 filed 1,350,000 shares of common stock (par $5). **Proceeds**—For payment of short-term bank loans, for investment in common stocks of subsidiaries and general corporate purposes, including additional investments in operating affiliates. **Underwriter**—To be determined by competitive bidding. Probable bidders: The First Boston Corp.; Morgan Stanley & Co.; Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Smith (jointly); Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Lehman Brothers. **Bids**—Expected up to 11:30 a.m. (EST) on Feb. 4 at 250 Park Avenue, New York, N. Y.

Southern Natural Gas Co. (1/20)
Dec. 18 filed $35,000,000 20-year first mortgage pipe line bonds due 1979. **Proceeds**—To repay bank loans and for new construction. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., and Kidder, Peabody & Co. (jointly); The First Boston Corp. **Bids**—Expected to be received up to 11 a.m. (EST) on Jan. 20 in Room 1130, 90 Broad St., New York, N. Y.

Sports Arenas (Delaware) Inc.
Nov. 18 filed $2,000,000 of 6% 10-year convertible debentures (subordinated), due Jan. 1, 1969. **Price**—To be supplied by amendment. **Proceeds**—$750,000 to pay AMF Pinspotters, Inc. for bowling alley beds; $350,000 to pay for other installations, fixtures and equipment; $85,000 to expand two present establishments by increasing the number of alley beds by eight at Yorktown Heights and by six at Wilton Manor Lanes, Fort Lauderdale; $300,000 for deposits on leaseholds, telephones and utilities; and $395,000 for working capital. **Underwriter**—None.

Sports Arenas (Delaware) Inc.
Nov. 18 filed 461,950 shares of common stock (par one cent). **Price**—At the market (but in no event less than $6 per share). **Proceeds**—To selling stockholders. **Office**—33 Great Neck Rd., Great Neck, N. Y. **Underwriter**—None.

● Spur Oil Co. (1/19-23)
Dec. 15 filed 1,000,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—Together with $6,500,000 of borrowings, will be used for the acquisition of Spur Distributing Co., Inc., and for general corporate purposes. **Office**—Eighth Ave. South and Bradford Ave., Nashville, Tenn. **Underwriter** — Equitable Securities Corp., Nashville, Tenn.

Standard Sign & Signal Co.
Dec. 17 (letter of notification) 300,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—To promote and expand the development of the Safety School Shelter business. **Office**—c/o Brown Kendrick, 6130 Preston Haven Drive, Dallas, Texas. **Underwriter**—Sano & Co., New York, N. Y. **Offering**—Not expected until after Jan. 31, 1959.

State Life, Health & Accident Insurance Co.
July 9 (letter of notification) 50,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—To be invested in stocks and bonds and to acquire other life insurance companies. **Address**—P. O. Box 678, Gulfport, Miss. **Underwriter**—Gates, Carter & Co., Gulfport, Miss.

Strategic Minerals Corp. of America, Dallas, Tex.
March 31 filed $2,000,000 of first lien mortgage 6% bonds and 975,000 shares of common stock (par 10 cents). **Price**—For bonds, 95% of principal amount; and for stock $3 per share. **Proceeds**—To erect and operate one or more chemical processing plants using the Bruce - Williams Process to beneficiate manganese ores. **Underwriter**—Southwest Shares, Inc., Austin, Texas.

Surrey Oil & Gas Corp., Dallas, Tex.
Nov. 12 filed 300,000 shares of common stock (par $1). **Price**—$3 per share. **Proceeds**—To retire current liabilities and for drilling and exploration costs and working capital. **Underwriter**—Peter Morgan & Co., New York. **Offering**—Expected any day.

● Templeton Furniture Co., Inc.
Dec. 30 (letter of notification) 5,000 shares of 7% cumulative preferred stock (par $15) and 25,000 shares of common stock (par $1), to be offered in units of one share of preferred stock and five shares of common stock. **Price**—$20 per unit. **Proceeds**—To reduce accounts payable and increase working capital. **Office**—Flat St., Brattleboro, Vt. **Underwriter**—None. Letter to be withdrawn and issues placed privately.

● Tower Merchandise Mart, Inc., Boulder, Colo.
Nov. 10 filed 500,000 shares of common stock (par $5). **Price**—$10 per share. **Proceeds**—For working capital and construction program. **Underwriter**—Allen Investment Co., Boulder, Colo. Statement effective Dec. 31.

Tractor Supply Co.
Dec. 18 filed 480,000 outstanding shares of class A common stock (par $1). **Price**—To be supplied by amendment (expected at around $12 per share). **Proceeds**—To selling stockholders. **Office** — 2700 North Halsted St., Chicago, Ill. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo.

● Transcontinental Gas Pipe Line Corp. (1/26-30)
Jan. 7 filed $35,000,000 of first mortgage pipe line bonds, due 1979. **Price** — To be supplied by amendment. **Proceeds**—For property additions and improvements and/or to reduce outstanding notes under company's revolving credit agreement. **Underwriters** — White, Weld & Co. and Stone & Webster Securities Corp., both of New York.

Trout Mining Co.
Dec. 2 filed 280,763 shares of common stock, of which 278,043 shares are being offered for subscription by holders of company's common stock of record Dec. 31, 1958, on the basis of three new shares for each share to be held following a distribution to stockholders of record Dec. 5, 1958 of American Machine & Metals, Inc. There will be an oversubscription privilege. Rights will expire on Jan. 16. The remaining 2,720 shares are to be offered to certain employees. **Price**—$1 per share. **Proceeds**—For working capital. **Underwriter**—None.

★ Union Bag-Camp Paper Corp.
Jan. 8 filed 23,282 shares of capital stock (par $6.66⅔) to be offered in exchange for shares of capital stock of Highland Container Co. in ratio of 0.58 share of Union Bag for one share of Highland. Unless the exchange offer is accepted prior to its expiration of stockholders holding more than 25,000 of the outstanding shares, the exchange offer will be cancelled. If the exchange offer is so accepted by the holders of more than 25,000, but less than 36,000 such shares, the exchange offer may be cancelled at the option of Union Bag by written or telegraphic notice to the exchange agent given on or before March 4, 1959.

United Employees Insurance Co.
April 16 filed 2,000,000 shares of common stock (par $5). **Price** — $10 per share. **Proceeds** — For acquisition of operating properties, real and/or personal, including office furniture, fixtures, equipment and office space, by lease or purchase. **Office** — Wilmington, Del. **Underwriter**—None. Myrl L. McKee of Portland, Ore., is President.

● United Pacific Aluminum Corp.
Dec. 18 filed 100,000 shares of common stock (par $1). **Price**—$8 per share. **Proceeds**—To purchase an additional cold rolling mill and for general corporate purposes. **Office**—5311 Avalon Blvd., Los Angeles, Calif. **Underwriters**—D. H. Blair & Co., New York, and Stern, Frank, Meyer & Fox, Los Angeles, Calif. **Offering**—Expected today (Jan. 15).

United Security Life & Accident Insurance Co.
Aug. 22 filed 120,000 shares of class A common stock. **Price**—$3 per share. **Proceeds**—To provide the reserves required to be held in life and accident insurance policies, and to pay the necessary expenses in producing insurance. **Office**—Louisville, Ky. **Underwriter**—None. Edmond M. Smith, is President.

United States Glass & Chemical Corp.
Nov. 26 filed 708,750 outstanding shares of common stock. **Price**—At market. **Proceeds** — To selling stockholders. **Office**—Tiffin, Ohio. **Underwriter**—None.

★ Universal Oil Processes, Inc. (2/3-4)
Jan. 13 filed 2,900,000 shares of capital stock. **Price**—To be supplied by amendment. **Proceeds**—To purchase from Guaranty Trust Co. of New York, as trustee of the Petroleum Research Fund, all of the outstanding shares of capital stock of Universal Oil Products Co. **Underwriters** — Lehman Brothers, Smith, Barney & Co., and Merrill Lynch, Pierce, Fenner & Smith, Inc. all of New York.

Uranium Corp. of America, Portland, Ore.
April 30, 1957 filed 1,250,000 shares of common stock (par 16 cents). **Price**—To be supplied by amendment (expected to be $1 per share). **Proceeds**—For exploration purposes. **Underwriter**—To be named by amendment. Graham Albert Griswold of Portland, Ore., is President.

Utah Minerals Co.
April 11 (letter of notification) 900,000 shares of common stock. **Price**—At par (10 cents per share). **Proceeds**—For mining expenses. **Office**—305 Main St., Park City, Utah. **Underwriter**—Walter Sondrup & Co., Salt Lake City, Utah.

Utah Oil Co. of New York, Inc.
May 6 (letter of notification) 300,000 shares of capital stock. **Price** — At par ($1 per share). **Proceeds** — For development of oil and gas lands. **Office**—574 Jefferson Ave., Rochester 11, N. Y. **Underwriter**—Frank P. Hunt & Co., Inc., Rochester, N. Y.

● Vita Food Products, Inc. (1/16-19)
Dec. 16 (letter of notification) 12,000 shares of common stock (par 25 cents) issued as part of the consideration paid by the company for Mother's Food Products, Inc. **Price**—To be related to market price on the American Stock Exchange. **Proceeds** — To Jesse C. and Bernard Goodwin. **Office**—644 Greenwich St., New York, N. Y. **Underwriter**—Granbery, Marache & Co., 67 Wall St., New York, N. Y.

● Wen Wood Organizations, Inc. (1/26-30)
Dec. 18 (letter of notification) 100,000 shares of common stock (par 25 cents). **Price**—$3 per share. **Proceeds**—For land development and home construction in Florida; and for general corporate purposes. **Office**—62 Third Ave., Mineola, L. I., N. Y. and 2259 Bee Ridge Road, Sarasota, Fla. **Underwriter**—Michael G. Kletz & Co., Inc., 30 Rockefeller Plaza, New York, N. Y.

★ Western Acceptance Corp. of Arizona
Jan. 2 (letter of notification) 81,599 shares of class A common stock (par $1). **Price**—$3 per share. **Proceeds**—To increase capital and surplus accounts. **Office**—2848 West Van Buren Street, Phoenix, Ariz. **Underwriter**—None.

Willer Color Television System, Inc.
April 2 (letter of notification) 72,035 shares of common stock (par $1) of which 10,000 are being offered to stockholders at $2 per share (rights to expire on Jan. 17), and the remaining 62,035 shares are being publicly offered at $3 each. **Proceeds**—For general corporate purposes. **Office**—151 Adell Avenue, Yonkers, N. Y. **Underwriter**—Edwin Jefferson, 39 Broadway, New York 6, N. Y. Statement effective Nov. 18.

Wilmington Country Club, Wilmington, Del.
Oct. 27 filed $500,000 of debentures due 1991 (non interest bearing) and 800 shares of common stock (par $25) to be offered to members of this club and of Concord Ltd. **Price**—$375 per common share and $1,000 per debenture. **Proceeds** — To develop property and build certain facilities. **Underwriter**—None.

Wyoming Corp.
Nov. 17 filed 1,449,307 shares of common stock. Of these shares 1,199,307 are subject to partially completed subscriptions at $2, $3.33 and $4 per share; and the additional 250,000 shares are to be offered initially to shareholders of record Nov. 1, 1958, in the ratio of one new share for each 2.33 shares held on that date. **Price**—$4 per share. **Proceeds**—$300,000 will be used for payments on contract to purchase shares of International Fidelity Insurance Co.; $325,000 for capitalization of a fire insurance company; $500,000 for capitalization of a title insurance company; $500,000 for additional capital contribution to Great Plains Development Co.; and $300,000 as

an additional capital contribution to Great Plains Mortgage Co. **Office**—319 E. "A" St., Casper, Wyo. **Underwriter**—None.

Prospective Offerings

Alabama Power Co. (4/30)
Dec. 10 it was announced that the company plans the issue and sale of $20,000,000 of 30-year first mortgage bonds. **Proceeds** — For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Eastman Dillon, Union Securities & Co., Equitable Securities Corp. and Drexel & Co. (jointly); Harriman Ripley & Co., Inc. and Goldman, Sachs & Co. (jointly); Morgan Stanley & Co.; Blyth & Co., Inc. and Kidder, Peabody & Co. (jointly); The First Boston Corp. **Registration**—Planned for April 3. **Bids**—Expected to be received on April 30.

American Natural Gas Co.
Dec. 15 it was announced that the company has filed an application with the SEC for the issuance of 486,325 additional shares of common stock (par $25) in the early months of 1959 to stockholders under rights on the basis of one new share for each 10 shares held (with an oversubscription privilege). **Price**—To be determined just prior to offering. **Proceeds**—To be used as the equity base for the financing of substantial expansion programs of system companies. **Underwriter**—To be determined by competitive bidding. Probable bidders: White, Weld & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.; The First Boston Corp.

Central Bank & Trust Co., Great Neck, L. I., N. Y.
Dec. 31 it was announced that the stockholders will vote on Jan. 31 on approving a proposed subscription offering of 38,503 additional shares of capital stock. **Price**—$20 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—None.

★ **Chicago, Milwaukee, St. Paul & Pacific RR. (1/21)**
Bids will be received by the company at 516 W. Jackson Blvd., Chicago 6, Ill., up to noon (CST) on Jan. 21 for the purchase from it of $5,850,000 equipment trust certificates maturing semi-annually from Aug. 1, 1959 through Feb. 1, 1974, inclusive. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler.

Columbia Gas System, Inc.
Dec. 1 it was reported that the company may issue and sell additional common stock in the first half of 1959. **Proceeds**—To repay outstanding bank loans. **Underwriter**—To be determined by competitive bidding. Probable bidders: Lehman Brothers and Eastman Dillon, Union Securities & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith, White, Weld & Co., Shields & Co. and R. W. Pressprich & Co. (jointly); Morgan Stanley & Co.

★ **Connecticut Light & Power Co. (2/2)**
Jan. 12 it was reported that the company plans an offering of approximately $15,000,000 of additional common stock (no par) to be offered to common stockholders on or about Jan. 30; rights to expire on Feb. 16. **Proceeds**—To repay bank loans and for construction program. **Underwriters**—Morgan Stanley & Co., New York; Putnam & Co., Hartford, Conn.; Estabrook & Co., Boston, Mass.; Chas. W. Scranton & Co., New Haven, Conn.

● **Denmark (Kingdom of)**
Sept. 2 it was reported that an issue of between $20,000,000 to $30,000,000 may possibly be placed on the American market this year. **Underwriter**—Kuhn, Loeb & Co. New York. **Registration**—Expected shortly.

Eastern Utilities Associates
Jan. 5 the trustees approved an offering in early March of 96,765 additional shares of common stock to common stockholders on the basis of one new share for each 12 shares held. **Underwriters**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Stone & Webster Securities Corp.

Equitable Gas Co.
July 18 it was announced that the company expects later in the year to issue and sell additional securities, probably preferred stock, to secure approximately $5,000,000 of additional funds. **Proceeds**—Together with $7,000,000 from private sale of 4½% bonds, to repay short-term bank loans and for construction program. **Underwriters**—May be The First Boston Corp.; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith; and White Weld & Co., all of New York.

First National Bank & Trust Co., Tulsa, Okla.
Nov. 25 it was reported that the stockholders of the Bank will vote on Jan. 13 to approve a plan to offer 100,000 shares of additional capital stock (par $10) on about a one-for-six basis to stockholders of record Jan. 13, 1959. **Price**—$27 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith, Oklahoma City, Okla.

Georgia Power Co. (9/10)
Dec. 10 it was announced that the company plans to issue and sell $18,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., Kidder, Peabody & Co. and Shields & Co. (jointly); Lehman Brothers; The First Boston Corp.; Morgan Stanley & Co.; Equitable Securities Corp. and Eastman Dillon, Union Securities & Co. (jointly); Harriman Ripley & Co. Inc. **Registration**—Planned for Aug. 14. **Bids**—Expected to be received on Sept. 10.

Great Atlantic & Pacific Tea Co., Inc.
Feb. 19 it was reported a secondary offering of common voting stock is expected this year. **Underwriters** — May include: Blyth & Co., Inc.; Lehman Brothers and Smith, Barney & Co.

Gulf Power Co. (4/2)
Dec. 10 it was announced that the company plans to issue and sell $7,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Salomon Bros. & Hutzler and Drexel & Co. (jointly); Eastman Dillon, Union Securities & Co.; Equitable Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly); Blyth & Co., Inc. **Registration**—Planned for March 6. **Bids**—Expected to be received on April 2.

Heublein, Inc.
Aug. 25 it was reported that the company plans early registration of 400,000 shares of common stock; of which 100,000 shares are to be sold for the account of selling stockholders. **Proceeds**—For expansion. **Underwriter**—Glore, Forgan & Co., New York. **Offering**—Expected in 1959.

Illinois Bell Telephone Co. (2/25)
Dec. 24 it was announced company plans to issue and sell $50,000,000 first mortgage bonds dated March 1, 1959 and due March 1, 1994. **Proceeds**—For improvements, etc. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey Stuart & Co. Inc.; Morgan Stanley & Co.; Glore, Forgan & Co. and Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected to be received on Feb. 25.

Interstate Motor Freight System, Inc. (Mich.)
Dec. 1 it was reported that the company plans to issue and sell 125,000 shares of common stock. **Underwriters**—A. C. Allyn & Co., Inc. and Walston & Co., Inc. **Offering**—Expected any day.

● **Japan (Empire of)**
Aug. 20 it was stated that an issue of between $25,000,000 and $30,000,000 of bonds may soon be publicly offered on the American market. **Proceeds**—For public works projects, etc. **Financial Adviser**—The First Boston Corp., New York. **Offering**—Expected late in January, or early in February.

Kansas Gas & Electric Co.
March 31, G. W. Evans, Chairman, announced that company plans to sell some bonds originally scheduled for mid-year of 1958. The proposed sale was subsequently deferred until early 1959. **Proceeds** — About $8,000,000 for construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith (jointly); Lehman Brothers; Eastman Dillon, Union Securities & Co. and Stone & Webster Securities Corp. (jointly); Glore, Forgan & Co., and Goldman Sachs & Co. (jointly).

Kansas Power & Light Co.
Feb. 14 it was announced company plans to issue and sell $10,000,000 of first mortgage bonds due 1988. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders Halsey, Stuart & Co. Inc.; The First Boston Corp.; Glore Forgan & Co.; Harriman Ripley & Co. Inc.; White, Weld & Co.; Blyth & Co., Inc.; Equitable Securities Corp

Laboratory for Electronics, Inc.
July 3, Henry W. Harding, President, announced that the directors are currently considering refinancing $790,000 of outstanding notes ($658,750 held by a principal stockholder and $131,250 by a bank) on a more permanent basis. This may be done through equity or convertible debenture financing. **Office**—75 Pitts St., Boston, Mass.

★ **Louisiana Power & Light Co.**
Dec. 29 it was reported that the company plans to issue and sell $7,500,000 of preferred stock (par $100). **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co., Inc. and Shields & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith, Kidder, Peabody & Co. and Harriman Ripley & Co., Inc. (jointly); Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); The First Boston Corp. and Glore, Forgan & Co. (jointly). **Bids**—Expected to be received sometime in April.

Mercantile National Bank, Dallas, Texas.
Dec. 15 it was announced that the stockholders will vote Jan. 20 on authorizing the issuance of 125,000 additional shares of common stock on the basis of one new shares for each 10 shares held. **Price**—$26 per share. **Proceeds**—To increase capital and surplus. **Underwriters**—Rauscher, Pierce & Co., Inc. and First Southwest Co., both of Dallas, Texas.

Miami Window Corp.
Dec. 15 it was reported that the company plans issuance and sale of $2,500,000 6½% debentures due 1974 (with attachable warrants—each $1,000 debenture to carry a warrant to buy 200 shares of common stock at $3 per share). **Underwriters**—Cruttenden, Podesta & Co., Chicago, Ill., and Clayton Securities Corp., Boston, Mass. **Registration**—Expected about mid-January.

● **Michigan Bell Telephone Co.**
Aug. 12 directors approved plans to sell $40,000,000 of 34-year debentures. **Proceeds**—To redeem a like amount of 4¾% debentures due November, 1992. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Had been tentatively scheduled to be received on Sept. 16, but on Aug. 26 it was voted to postpone this refunding program because of present market conditions. Financing plans have since been abandoned.

Mississippi Power Co. (6/25)
Dec. 10 it was announced that this company plans to issue and sell $5,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Registration**—Planned for May 29. **Bids**—Expected to be received on June 25.

● **National State Bank, Newark, N. J. (1/23)**
Jan. 13 stockholders were to approve a proposed offering of about 80,000 shares of common stock to stockholders of record about Jan. 23, 1958, on the basis of one new share for each six shares then held; rights to expire on Feb. 16. **Price**—$50 per share. **Proceeds** — To increase capital and surplus. **Underwriter**—Clark, Dodge & Co., New York.

North American Equitable Life Assurance Co.
Dec. 1 it was announced that the company plans an offering of 950,000 shares of capital stock. **Price** — $10 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—John M. Tait & Associates, Cincinnati, Ohio.

North American Van Lines, Inc.
Nov. 20, James D. Edgett, President, announced company plans early in 1959 to make a public offering of its stock, and has applied to the Interstate Commerce Commission for authority to do so.

Northern Illinois Gas Co.
Dec. 12 it was reported that the company will sell in 1959 about $35,000,000 of new securities, including some first mortgage bonds, in addition, there is a possibility of a preferred stock issue and raising of some funds through common stock financing, "perhaps in the form of convertible debentures." **Proceeds**—For capital expenditures. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp.; Glore, Forgan & Co.; Blyth & Co., Inc.

Northern Indiana Public Service Co.
Dec. 29 it was reported that the company plans sale of from $25,000,000 to $30,000,000 of first mortgage bonds due 1989. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; Lehman Brothers and Bear, Stearns & Co. (jointly); Eastman Dillon, Union Securities & Co.; The First Boston Corp.; White, Weld & Co.; Dean Witter & Co.; Blyth & Co., Inc. and Merrill Lynch, Pierce, Fenner & Smith (jointly); Harriman Ripley & Co., Inc. **Bids**—Expected to be received before April 1.

Northern States Power Co. (Minn.)
Dec. 3, Allen S. King, President, announced that the company plans about the middle of 1959 to put out a common stock issue and possibly a $15,000,000 preferred stock issue if there is a satisfactory market. **Proceeds**—To repay bank loans and for construction program. **Underwriter** — To be determined by competitive bidding. Probable bidders (1) For preferred stock: Blyth & Co., Inc. and The First Boston Corp. (jointly); Lehman Brothers and Riter & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Harriman Ripley & Co., Inc. and Eastman Dillon, Union Securities & Co. (jointly); Kuhn, Loeb & Co. (2) For common stock: Lehman Brothers and Riter & Co. (jointly); The First Boston Corp., Blyth & Co., Inc. and Kuhn, Loeb & Co. (jointly); White, Weld & Co. and Glore, Forgan & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith.

★ **Our River Electric Co., Luxemburg**
Dec. 22 it was reported that this company plans to offer $10,000,000 of bonds in the early part of 1959. **Underwriters**—The First Boston Corp. and Kuhn, Loeb & Co., both of New York.

Pacific National Bank of San Francisco
Dec. 12 directors approved proposed offering of 74,511 additional shares of new capital stock to stockholders of record Jan. 13 at the rate of one new share for each three shares held; rights will expire on Feb. 3. **Underwriters**—Blyth & Co., Inc. and Elworthy & Co., both of San Francisco, Calif.

★ **Pacific Power & Light Co. (3/3)**
Jan. 14 it was reported that the company plans an offering to common stockholders of additional common stock at the rate of one new share for each 20 shares owned. **Underwriters**—To be determined by competitive bidding. Probable bidders: Lehman Brothers, Eastman Dillon, Union Securities & Co., Bear, Stearns & Co. and Dean Witter & Co. (jointly); Ladenburg, Thalmann & Co.; Kidder, Peabody & Co. **Bids**—Expected to be received on March 3.

Public Service Co. of Indiana, Inc. (2/17)
Dec. 8 it was announced that the company will issue $25,000,000 of first mortgage bonds. **Proceeds**—To repay bank loans incurred for construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey Stuart & Co. Inc.; Kuhn, Loeb & Co.; The First Boston Corp.; Blyth & Co., Inc.; Glore, Forgan & Co.; Harriman Ripley & Co., Inc. **Bids**—Expected to be received on Feb. 17.

★ **Public Service Co. of New Mexico**
Jan. 12 it was reported that the directors will meet on Jan. 27 to discuss the issuance of 50,000 shares of preferred stock. **Proceeds**—For construction program. **Underwriter**—May be Allen & Co., New York.

Rockland-Atlas National Bank of Boston, Mass. (1/20)
Dec. 16 it was announced it will offer its stockholders of record Jan. 20, 1959, an additional 40,000 shares of capital stock (par $10) on the basis of one new share for each 6½ shares held. The offering period will last for about two weeks. **Proceeds**—To increase capital and surplus. **Underwriter**—May be The First Boston Corp., New York.

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★ Ryder System, Inc. (1/22)
Jan. 12 it was reported that the company plans the issuance and sale of 150,000 shares of common stock (par $5). **Proceeds**—For acquisitions. **Underwriter**—Blyth & Co., Inc., New York.

South Coast Corp.
Oct. 27 it was reported that the company is planning some long-term financing. **Proceeds** — To replace an interim loan obtained in connection with the purchase of properties from Gulf States Land & Industries, and 4¼% bonds due 1960. **Underwriter** — May be Hornblower & Weeks, New York.

Southern Electric Generating Co. (5/28)
Dec. 10 it was announced that the company plans to issue and sell $25,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Registration**—Planned for May 1. **Bids**—Expected to be received on May 28.

● Southwestern Bell Telephone Co.
July 10 it was announced Missouri Public Service Commission authorized the company to issue $110,000,000 of 35-year debentures. **Proceeds** — To refund outstanding $100,000,000 4¾% debentures. **Underwriter**—To be determined by competitive bidding. Probable bidders; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Offering**—Has been abandoned. Bids had been expected about Sept. 30, 1958.

★ Technology Instrument Corp. (1/21)
Jan. 13 it was reported that the company plans early registration of 130,000 shares of common stock via an amendment to an earlier registration statement. **Underwriter**—Shearson, Hammill & Co., New York.

Texas Eastern Transmission Corp.
Dec. 11 it was announced by W. Hargrove, Vice-President, that the corporation plans to raise about $90,000,000 through the sale of new securities (tentative plans call for the sale of bonds, debentures and preferred stock). **Proceeds**—To refund $30,000,000 of outstanding bank loans, and the balance will be used for capital expenditures. **Underwriter**—Dillon, Read & Co. Inc., New York.

★ Texas Gas Transmission Co.
Jan. 13 it was reported that the company has filed an application with the Federal Power Commission covering $40,000,000 of additional financing. It is believed that $10,000,000 of this new capital will be raised via a common stock offering and the rest will consist of first mortgage bonds. **Proceeds**—For expansion program. **Underwriter**—Dillon, Read & Co., Inc., New York. **Offering**—Not expected for some time.

Thomas & Betts Co.
Nov. 24 it was reported that the company plans early registration of about 250,000 to 300,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Underwriter**—Smith, Barney & Co., New York. **Offering**—Planned for some time in January.

Virginia Electric & Power Co. (6/2)
Jan. 5 it was reported that the company plans the sale of from $20,000,000 to $25,000,000 of additional common stock. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith; Stone & Webster Securities Corp. **Bids**—Expected to be received on June 2.

Venezuela (Government of)
July 1 the Government announced that Kuhn, Loeb & Co. and Kidder, Peabody & Co., both of New York, have been selected as financial advisors to develop a financial program for the country. As a first step in the program a short-term credit is being negotiated between the government in cooperation with the two investment banking firms and a syndicate of commercial banks in the United States, Canada and the United Kingdom. The three institutions are to head this syndicate are The Chase Manhattan Bank, The First National City Bank of New York, and Bank of America National Trust & Savings Association. The Chase Manhattan Bank will be the fiscal agent for the credit. The amount of the new financing involved is in the neighborhood of $250,000,000. The purpose is to restore government balances which have been reduced by the repayment of excessive short term obligations previously incurred.

Virginian Ry.
Aug. 26 the directors approved a proposal to exchange 2,795,500 shares of 6% cumulative preferred stock (par $10) for $32,148,250 new 6% subordinated income sinking fund debentures to mature Aug. 1, 2008 on the basis of $11.50 principal amount of debentures for each preferred share. Offer began on Nov. 17 and will expire on Jan. 16. **Dealer-Manager**—Harriman Ripley & Co. Inc., New York.

★ Wisconsin Power & Light Co. (4/15)
Jan. 12 it was reported that the company contemplates the sale of $14,000,000 first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Smith, Barney & Co. and Robert W. Baird & Co. (jointly); Equitable Securities Corp. and Eastman Dillon, Union Securities & Co. (jointly); White, Weld & Co., Kidder, Peabody & Co. and Salomon Bros. & Hutzler (jointly); The First Boston Corp. **Bids**—Expected to be received on April 15.

Worcester Gas Light Co.
Aug. 18 it was reported that the company plans the sale of $5,000,000 first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Estabrook & Co. and Coffin & Burr, Inc. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Our Reporter's Report

The investment markets generally took the Treasury's announcement of its terms for raising $3.25 billion of new cash pretty much in stride even though the scope of the operation was somewhat larger than had been anticipated at this time.

But prospective corporate borrowers probably looked upon the larger than expected offering as removing that much in the form of future concern. At any rate the seasoned market stood its ground well and Treasury long-terms after settling slightly took on a firmer note.

So that all in all the capital market appeared to have passed another hurdle in its search for stability and a new base that will pave the way for a greater outflow of new debt securities.

Meantime it became evident that most of the recent new emissions, some of which had been rather heavy at times are now enjoying more substantial markets. In most instances debt issues are selling close to or above their original offering prices.

Pacific Gas & Electric's new 4⅝s, for example, are holding a premium of better than 2 points while Philadelphia Electric 4⅜s are holding the offering price of par and Southern Bell Telephone 4⅝s command a small premium over the initial price.

More recent issues by C.I.T. Financial Corp. and Household Finance Corp. likewise are behaving well, the latter at a premium. New preferred stocks also have done relatively well marketwise.

New Issues Drag

Some of the newest corporate omissions were reported a bit on the slow side although moving. Gulf States Utilities new preferred stock for example was reported as "moving quietly," that is without any fanfare.

Meanwhile Commonwealth Edison Co.'s $20 million of 50-year, sinking fund debentures, carrying a coupon rate of 4⅝% and offered to yield 4.55%, was reported as slow.

This issue drew a total of three bids. The successful group paid the company a price of 100.6499 for the aforementioned coupon rate. The runner-up bid 99.7529 and the third group, 99.497, for the same interest rate. Thus pricing ideas evidently were not exactly close.

Took Some Figuring

When the Department of Water and Power of the City of Los Angeles opened bids for its $18 million offering of plant revenue bonds yesterday, it found that considerable figuring would be necessary to decide which of two syndicates should get the bonds.

A group headed by First Boston Corp., and Drexel & Co. ultimately received the award, its bid for a combination of coupons having figured out to a net interest cost basis of 3.6079% to the issuer.

But the people charged with deciding the issue must have taken a few really deep breaths, for the bid of a second group, headed by Lehman Brothers, and Harriman Ripley & Co., Inc., worked out to a net interest cost basis of 3.609%, or a difference of .011 basis points.

Modest Week Ahead

Underwriting bankers will hardly find their facilities overtaxed by the volume of new issues looming ahead for next week. The list discloses only three debt offerings of consequence, plus several equity undertakings of which the largest is Southern Edison Co.'s 500,000 shares of common stock set for Tuesday.

On Monday the Gulf States Utilities Co., which sold a preferred stock issue this week, will be in the market for bids on $10 million of new bonds.

Southern Natural Gas Co., on Tuesday, will be opening bids for $35 million of new bonds, and on Wednesday the Indiana Michigan Electric Co., is slated to market $20 million in bonds.

George, O'Neill in Fla.

MIAMI, Fla.—George, O'Neill & Co., Inc., has opened a branch office in the Du Pont Plaza Center Office Building under the management of John G. O'Neill, Vice-President of the firm.

First Boston Group Offers Kansas Power & Light Common Stock

The Kansas Power & Light Co. is today (Jan. 15) offering for public sale through an underwriting group headed by The First Boston Corp., 275,000 shares of its common stock at a price of $29.87½ per share.

The net proceeds of the sale of the additional shares will be applied by the company in part to the payment of $6,500,000 of bank borrowings incurred to finance construction. The balance will be added to general funds for use in the company's construction program. Growth of industrial, commercial and residential demand since 1953 has necessitated expenditures for construction and expansion of company facilities amounting to more than $60,000,000.

The company's principal business is the generation and distribution of electric energy and the purchase, distribution and sale of natural gas in the northeastern and central portions of Kansas covering 27,500 square miles, or about 33% of the area of the state. The population of the territory provided with one or more services at retail or wholesale is more than 750,000. For the 12 months ended Oct. 31, 1958, electric revenues accounted for about 66% and natural gas 33.5% of total operating revenues of $49,351,571. Net income for the period was $6,982,451, equal after preferred dividend requirements to $2.04 per share on 2,869,220 common shares outstanding. For the 1957 calendar year total operating revenues were $47,730,405 and net income $7,000,616 or $2.05 per share on 2,863,950 shares.

The company has paid dividends annually on its common stock since organization in 1924. Since January 1, 1957 the company has paid quarterly dividends on its common stock at the annual rate of $1.30 per share. On Dec. 19, 1958 directors declared an extra dividend of 6 cents per share payable Jan. 15, 1959 to holders of record on Dec. 29, 1958, while indicating its intention to pay a dividend of 34 cents per share on April 1, 1959 and to continue the payment of quarterly dividends. Such dividends and the amount thereof will be dependent upon the future earnings and financial condition of the company and other factors.

So. Gulf Utilities Common Stock Offered

Ross Securities, Inc., New York City, offered publicly yesterday (Jan. 14) an issue of 127,659 shares of common stock of Southern Gulf Utilities, Inc., at $2.35 per share on a best efforts basis.

The net proceeds from this sale are to be used to pay loan and accounts payable, pay initial cost for sewage treatment and collection system (estimated at $85,000), pay cost of expansion of water treatment and distribution system (estimated at $35,000), and used for working capital and other corporate purposes.

Southern Gulf Utilities, Inc. was formed to engage primarily in the acquisition, ownership, construction, control and management of water supply and distribution systems and sewerage systems. It was organized on Aug. 21, 1958 in Florida.

As the initial step in the fulfillment of its objectives, the company entered into an agreement of merger and consolidation on Oct. 21, 1958 with the South Vero Beach Water Co., Inc., a Florida corporation.

Norwalk Tank Class A Common Stock All Sold

The recent public offering of 100,000 shares of class A common stock (par $1) of Norwalk Tank Co., Inc. at $3 per share, through G. K. Shields & Co. of New York City, has been completed, all of said shares having been sold, according to an announcement just made.

The net proceeds will be used for additional working capital and expansion of facilities.

Norwalk Tank Co., Inc. is a Connecticut corporation organized on May 14, 1936, and engaged primarily in the business of steel plate fabrication including the manufacture of tanks, pressure vessels, weldments and allied plate items. While continuing some production of large standard tanks for fuel-oil storage and water, the company directly, and through its 96% owned subsidiary, the Sistersville Tank & Boiler Works, Inc., located at Sistersville, W. Va., is now a relatively large producer of custom vessel fabrications in stainless and carbon steel, as well as aluminum, for many large industrial concerns in the eastern and midwestern sections of the country. Its products are manufactured at the company's facilities in Norwalk, Conn., where its principal executive offices are located, and at the plant of its subsidiary. Through a management contract with the Hepinstall Steel Works of New Orleans, La., the company has extended its plate fabrication operations to the growing Southern industrial area.

Casey, Hewitt Partners In Delaware Co.

PHILADELPHIA, Pa.—Warren A. Casey and William Wilson Hewitt have been admitted as partners of Delaware Company, 3 Penn Center Plaza, investment adviser for Delaware Fund and Delaware Income Fund, W. Linton Nelson, managing partner, has announced.

Mr. Casey, who is also investment Vice-President of both funds, joined the Delaware organization in 1954 as Senior Security Analyst. He was formerly with several leading financial houses in Boston and Philadelphia, and also held posts with the Securities and Exchange Commission and the Federal Deposit Insurance Corp.

Mr. Hewitt came to Delaware Distributors, Inc., the funds' national distributor, as an area Sales Manager in January, 1955 and the following year was named a Vice-President. This past September, he was appointed Sales Vice-President of both funds and director of sales of the distributing company. Mr. Hewitt has been associated with the investment business for a number of years and has headed or held partnership in several securities firms. A member of the New York Stock Exchange for 17 years, he entered the mutual fund field in 1953.

With Walter, Woody

(Special to The Financial Chronicle)

CINCINNATI, Ohio — John M. Glass is with Walter, Woody & Heimerdinger, Dixie Terminal Building. He was previously with W. E. Hutton & Co.

Joins Halbert, Hargrove

LONG BEACH, Cal.—Glenn R. Smith has joined the staff of Halbert, Hargrove & Co., 115 Pine Avenue.

Percy A. Byron, Jr.

Percy A. Byron, Jr., partner in Johnson & Wood, passed away Jan. 7.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated Steel operations (per cent capacity)	Jan. 18	§75.0	*73.6	74.5	57.2
Equivalent to—					
Steel ingots and castings (net tons)	Jan. 18	§2,123,000	*2,085,000	2,011,000	1,538,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Jan. 2	7,122,335	7,128,835	7,067,285	6,863,460
Crude runs to stills—daily average (bbls.)	Jan. 2	¶8,256,000	8,165,000	7,666,000	7,867,000
Gasoline output (bbls.)	Jan. 2	29,714,000	29,105,000	28,146,000	27,591,000
Kerosene output (bbls.)	Jan. 2	3,080,000	2,621,000	2,221,000	2,589,000
Distillate fuel oil output (bbls.)	Jan. 2	14,593,000	14,208,000	12,620,000	13,240,000
Residual fuel oil output (bbls.)	Jan. 2	7,056,000	7,987,000	6,712,000	7,892,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Jan. 2	186,913,000	181,635,000	174,305,000	198,035,000
Kerosene (bbls.) at	Jan. 2	26,057,000	26,155,000	31,009,000	28,511,000
Distillate fuel oil (bbls.) at	Jan. 2	126,056,000	130,410,000	155,826,000	150,021,000
Residual fuel oil (bbls.) at	Jan. 2	60,525,000	61,629,000	65,137,000	59,621,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Jan. 3	467,699	431,938	594,476	472,284
Revenue freight received from connections (no. of cars)	Jan. 3	433,784	488,876	514,560	426,667
CIVIL ENGINEERING CONSTRUCTION — ENGINEERING NEWS-RECORD:					
Total U. S. construction	Jan. 8	$259,989,000	$273,226,000	$353,298,000	$170,986,000
Private construction	Jan. 8	85,389,000	61,992,000	170,871,000	61,974,000
Public construction	Jan. 8	174,600,000	211,234,000	182,427,000	109,012,000
State and municipal	Jan. 8	144,106,000	147,107,000	139,233,000	94,122,000
Federal	Jan. 8	30,494,000	64,127,000	43,194,000	14,890,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Jan. 3	6,955,000	*6,215,000	8,765,000	7,025,000
Pennsylvania anthracite (tons)	Jan. 3	447,000	450,000	460,000	293,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE = 100	Jan. 3	105	205	244	102
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Jan. 10	13,554,000	12,364,000	13,450,000	12,506,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Jan. 8	321	169	267	324
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Jan. 6	6.196c	6.196c	6.196c	5.967c
Pig iron (per gross ton)	Jan. 6	$66.41	$66.41	$66.41	$66.42
Scrap steel (per gross ton)	Jan. 6	$40.17	$39.83	$39.83	$33.00
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Jan. 7	28.600c	28.600c	28.575c	26.300c
Export refinery at	Jan. 7	27.125c	26.975c	26.925c	22.500c
Lead (New York) at	Jan. 7	13.000c	13.000c	13.000c	13.000c
Lead (St. Louis) at	Jan. 7	12.800c	12.800c	12.800c	12.800c
‡Zinc (delivered) at	Jan. 7	12.000c	12.000c	12.000c	10.500c
Zinc (East St. Louis) at	Jan. 7	11.500c	11.500c	11.500c	10.000c
Aluminum (primary pig, 99%) at	Jan. 7	24.700c	24.700c	24.700c	26.000c
Straits tin (New York) at	Jan. 7	99.125c	98.375c	99.125c	93.375c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Jan. 13	85.52	85.96	87.73	95.21
Average corporate	Jan. 13	90.20	90.20	90.63	94.71
Aaa	Jan. 13	94.56	94.56	95.16	101.97
Aa	Jan. 13	92.79	93.08	93.52	98.57
A	Jan. 13	89.78	89.64	90.06	95.77
Baa	Jan. 13	84.04	84.17	84.30	84.04
Railroad Group	Jan. 13	88.40	88.40	88.67	91.48
Public Utilities Group	Jan. 13	89.92	90.06	90.48	95.77
Industrials Group	Jan. 13	92.20	92.35	92.64	97.31
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Jan. 13	3.88	3.83	3.64	2.90
Average corporate	Jan. 13	4.40	4.40	4.37	4.09
Aaa	Jan. 13	4.10	4.10	4.06	3.63
Aa	Jan. 13	4.22	4.20	4.17	3.84
A	Jan. 13	4.43	4.44	4.41	4.02
Baa	Jan. 13	4.86	4.85	4.84	4.86
Railroad Group	Jan. 13	4.53	4.53	4.51	4.31
Public Utilities Group	Jan. 13	4.42	4.41	4.38	4.02
Industrials Group	Jan. 13	4.26	4.25	4.23	3.92
MOODY'S COMMODITY INDEX	Jan. 13	384.0	389.4	390.3	389.8
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Dec. 31	**365,380	‡‡255,176	259,412	††307,873
Production (tons)	Dec. 31	**320,797	‡‡295,919	286,263	††213,154
Percentage of activity	Dec. 31	**55	‡‡87	88	††45
Unfilled orders (tons) at end of period	Dec. 31	**405,256	‡‡364,444	369,636	††376,218
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE = 100	Jan. 9	110.38	110.38	110.61	108.43
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS:					
Transactions of specialists in stocks in which registered—					
Total purchases	Dec. 20	2,785,000	2,856,000	2,802,270	1,672,050
Short sales	Dec. 20	473,130	441,370	582,460	289,730
Other sales	Dec. 20	2,195,750	2,362,540	2,248,140	1,338,370
Total sales	Dec. 20	2,668,880	2,803,910	2,830,600	1,628,100
Other transactions initiated on the floor—					
Total purchases	Dec. 20	562,100	555,110	612,100	386,620
Short sales	Dec. 20	40,400	40,800	53,700	54,800
Other sales	Dec. 20	500,160	500,640	621,810	474,920
Total sales	Dec. 20	540,560	541,440	675,510	529,720
Other transactions initiated off the floor—					
Total purchases	Dec. 20	902,500	883,490	958,335	540,080
Short sales	Dec. 20	191,780	200,860	149,100	76,750
Other sales	Dec. 20	915,514	1,091,355	1,016,092	457,530
Total sales	Dec. 20	1,107,294	1,292,215	1,165,192	534,280
Total round-lot transactions for account of members—					
Total purchases	Dec. 20	4,249,600	4,294,600	4,372,705	2,598,750
Short sales	Dec. 20	705,310	683,030	785,260	421,280
Other sales	Dec. 20	3,611,424	3,954,535	3,886,042	2,270,820
Total sales	Dec. 20	4,316,734	4,637,565	4,671,302	2,692,100
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION:					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Dec. 20	1,832,249	1,746,758	1,900,583	1,398,063
Dollar value	Dec. 20	$107,754,083	$83,249,999	$88,492,604	$54,185,406
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Dec. 20	1,821,340	1,780,255	1,892,415	1,314,903
Customers' short sales	Dec. 20	9,354	9,568	9,669	16,717
Customers' other sales	Dec. 20	1,811,986	1,770,687	1,882,746	1,298,186
Dollar value	Dec. 20	$93,735,024	$84,157,800	$89,780,578	$49,173,516
Round-lot sales by dealers—					
Number of shares—Total sales	Dec. 20	596,790	603,020	598,270	420,500
Short sales	Dec. 20	—	—	—	—
Other sales	Dec. 20	596,790	603,020	598,270	420,500
Round-lot purchases by dealers—					
Number of shares	Dec. 20	618,110	585,930	582,920	478,220
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short sales	Dec. 20	871,810	867,120	943,950	646,710
Other sales	Dec. 20	19,203,650	19,296,480	20,989,220	13,267,560
Total sales	Dec. 20	19,675,460	20,163,600	21,937,170	13,914,270
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49 = 100):					
Commodity Group—					
All commodities	Jan. 6	119.2	*119.3	119.0	118.7
Farm products	Jan. 6	91.0	91.1	90.1	93.5
Processed foods	Jan. 6	108.4	108.6	108.7	108.3
Meats	Jan. 6	102.1	102.7	102.1	98.6
All commodities other than farm and foods	Jan. 6	127.2	127.2	127.0	126.0

*Revised figure. ¶Includes 1,187,000 barrels of foreign crude runs. §Based on new annual capacity of 140,742,570 tons as of Jan. 1, 1958, as against Jan. 1, 1957 basis of 133,459,150 tons. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound. **Eleven days ended Dec. 31, 1958. ††Ten days ended Dec. 31, 1957. ‡‡Week ended Dec. 20, 1958.

	Latest Month	Previous Month	Year Ago
BUILDING PERMIT VALUATION — DUN & BRADSTREET, INC. — 215 CITIES—Month of November:			
New England	$15,982,510	$29,256,060	$20,702,421
Middle Atlantic	96,176,579	112,204,717	60,670,788
South Atlantic	62,740,453	67,296,018	29,956,605
East Central	83,194,852	131,819,353	84,580,550
South Central	77,723,548	91,348,363	69,450,557
West Central	46,927,698	50,505,547	23,418,508
Mountain	24,954,986	31,685,204	17,392,758
Pacific	78,055,642	118,745,155	74,645,776
Total United States	$485,756,268	$632,860,417	$380,817,963
New York City	58,563,962	72,525,390	28,844,804
Outside New York City	427,192,306	560,335,027	351,973,159
CONSUMER PRICE INDEX — 1947-49 = 100— Month of November:			
All items	123.9	123.7	121.6
Food	119.4	119.7	116.0
Food at home	117.6	118.0	114.1
Cereals and bakery products	134.0	133.9	131.6
Meats, poultry and fish	113.5	114.6	104.6
Dairy products	114.5	114.5	114.5
Fruits and vegetables	121.1	121.0	114.6
Other foods at home	112.6	113.2	115.6
Food away from home (Jan., 1953 = 100)	113.7	113.3	—
Housing	128.0	127.9	126.8
Rent	138.4	138.3	136.3
Gas and electricity	118.1	118.1	114.3
Solid fuels and fuel oil	135.8	135.6	138.0
Housefurnishings	103.5	103.4	104.5
Household operation	132.6	132.4	129.4
Apparel	107.7	107.3	107.9
Men's and boys'	108.5	107.9	109.4
Women's and girls'	100.6	100.2	100.8
Footwear	130.3	130.1	129.0
Other apparel	92.3	91.8	92.6
Transportation	144.5	142.7	140.0
Public	133.6	131.8	182.8
Private	191.1	190.4	129.7
Medical care	147.0	146.7	140.3
Personal care	129.1	128.8	126.7
Reading and recreation	117.0	116.6	114.4
Other goods and services	127.3	127.2	126.8
COTTON GINNING (DEPT. OF COMMERCE):			
To Dec. 13 (running bales)	10,877,821	—	9,233,701
CROP PRODUCTION — CROP REPORTING BOARD U. S. DEPT. OF AGRICULTURE— Crop as of Dec. 17 (in thousands):			
Corn, all (bushels)	3,799,844	3,785,544	3,422,331
Wheat, all (bushels)	1,462,218	1,449,498	950,662
Winter (bushels)	1,179,924	1,170,768	710,776
All spring (bushels)	282,294	278,730	239,886
Durum (bushels)	22,077	22,053	39,680
Other spring (bushels)	260,217	256,677	200,206
Oats (bushels)	1,422,164	1,419,351	1,300,954
Soybeans for beans (bushels)	574,413	575,046	483,715
Barley (bushels)	470,449	466,301	437,170
Rye (bushels)	32,485	34,093	27,243
Buckwheat (bushels)	1,783	—	1,871
Flaxseed (bushels)	39,543	39,969	25,919
Rice (bags)	47,015	47,657	42,935
Popcorn (pounds)	484,202	—	253,954
Sorghum grain (bushels)	614,845	—	564,324
Sorghum forage (tons)	4,936	—	7,508
Sorghum silage (tons)	12,268	—	15,157
Cotton, lint (bales)	11,581	11,764	10,964
Cottonseed (tons)	4,788	—	4,609
Hay, all (tons)	121,924	—	120,977
Hay, wild (tons)	10,481	—	11,346
Alfalfa seed (pounds)	147,999	—	160,865
Red clover seed (pounds)	76,028	—	71,623
Alsike clover seed (pounds)	8,915	—	11,456
Sweetclover seed (pounds)	26,112	—	30,705
Lespedeza seed (pounds)	150,870	—	141,775
Timothy seed (pounds)	25,230	—	37,595
Beans, dry (bags)	18,981	18,786	15,626
Peas, dry (bags)	2,475	2,353	3,326
Cowpeas for peas (bushels)	1,561	—	1,425
Peanuts picked and threshed (pounds)	1,864,725	1,885,525	1,435,945
Velvetbeans (tons)	76	—	107
Potatoes (hundredweight)—			
Winter	4,971	4,760	6,790
Early spring	4,703	3,904	4,408
Late spring	27,499	26,901	30,104
Early summer	11,049	11,006	9,047
Late summer	34,663	34,940	32,209
Fall	180,897	179,048	156,981
Sweetpotatoes (hundredweight)	17,434	18,074	17,467
Tobacco (pounds)	1,757,810	1,764,197	1,667,544
Sorghum sirup (gallons)	2,954	—	2,567
Sugarcane for sugar and seed (tons)	7,014	7,332	6,750
Sugarcane sirup (gallons)	3,770	—	3,225
Sugar beets (tons)	15,299	15,186	15,530
Maple sirup (gallons)	1,516	—	1,833
Broomcorn (tons)	35	33	42
Hops (pounds)	48,407	47,611	40,135
Apples, commercial crop (bushels)	124,717	124,717	118,548
Peaches (bushels)	70,120	71,618	61,518
Pears (bushels)	28,774	28,983	31,676
Grapes (tons)	2,950	2,932	2,599
Cherries (tons)	187	186	240
Apricots (tons)	108	117	190
Plums (tons)	70	—	88
Prunes, dried (tons)	97	—	168
Prunes, other than dried (tons)	47	—	63
Avocados (tons)	45	—	57
Olives (Calif.) (tons)	70	—	37
Oranges (boxes)	126,635	—	111,155
Grapefruit (boxes)	42,500	—	39,780
Lemons (Calif.) (boxes)	15,500	—	16,900
Cranberries (barrels)	1,127	1,127	1,050
Pecans (pounds)	162,100	158,000	141,350
Almonds (Calif.) (tons)	20	—	38
Walnuts (tons)	84	—	67
Tung nuts (tons)	134	—	83
Commercial vegetables—			
For fresh market (28 crops) (tons)	10,614	—	10,241
For processing (10 crops) (tons)	7,465	—	6,809
MONEY IN CIRCULATION—TREASURY DEPT. As of Oct. 31 (000's omitted)	$31,386,000	$31,245,000	$31,090,000
MOODY'S WEIGHTED AVERAGE YIELD OF 100 COMMON STOCKS—Month of Dec.:			
Industrials (125)	3.17	3.34	4.58
Railroads (25)	4.60	4.61	8.31
Utilities (not incl. Amer. Tel. & Tel.) (24)	3.87	4.05	4.89
Banks (15)	4.00	4.09	5.09
Insurance (10)	2.54	2.68	3.46
Average (200)	3.34	3.54	4.77
NEW YORK STOCK EXCHANGE: As of Nov. 30 (000's omitted):			
Member firms carrying margin accounts—			
Total customers' net debit balances	$3,369,000	$3,311,000	$2,559,177
Credit extended to customers	124,000	123,000	41,786
Cash on hand and in banks in U. S.	346,000	346,000	324,964
Total of customers' free credit balances	1,148,000	1,140,000	876,175
Market value of listed shares	261,828,027	255,116,605	200,919,287
Market value of listed bonds	109,238,039	108,044,677	102,487,208
Member borrowings on U. S. Govt. issues	383,000	285,000	90,957
Member borrowings on other collateral	2,034,000	1,933,000	1,770,570

LETTER TO THE EDITOR:

Broker-Dealer Reproves Changes In the Securities Market

Baltimore broker-dealer abjures forces that compel firms to favor issuance of bonds over stocks and transmute stocks into commodities. Turning to the role of the investment business, Mr. Block finds brokerage business is not blameless in turning stock issues into commodities in a market that is said to have hurt investors, not speculators.

Editor, Commercial and Financial Chronicle:

From earliest times in the history of commerce, the prices of commodities have been governed by the inexorable laws of supply and demand. Many, many have been the occasions when misguided governments, acting either beneficently or tyranically have attempted to artificially regulate commodity prices for a variety of reasons. It is to be doubted that history has ever recorded a successful result of such efforts, whether the circumvention was trie dby the Pharaoh's of ancient Egypt or the elected Senators and Congressmen of the New Deal. From King Canute to Franklin D. Roosevelt, the rolling sea has had an invariable answer to political fiat—the tide comes in as it always has.

The taxes necessary to transform this nation from one of free enterprise to that of a "planned economy" have had many unforeseen results, not the least of which has been the moral deterioration of our people. We have become a nation of evaders, avoiders and, in many cases, downright liars. It is not necessary to belabor this point at length, although most lawyers would prefer to debate it. They can be dismissed, however, as their preoccupation is, as usual, legal not moral. One result that concerns this topic has come from the 52% corporate income tax.

In past years when financing was necessary for large and well-established companies, the decision whether to raise additional funds by floating a bond or a stock issue was governed primarily by the deliberations of boards of directors guided mostly by purely financial considerations regarding earnings, dividend requirements and a balanced capitalization in consonance with the industry and estimates of the company's future prospects. Now a new and powerful force has intruded itself into the making of such a decision.

Why Bonds Are Issued

Let us suppose, for example, that a strong and profitable company with 10,000,000 shares of common stock outstanding on which an annual dividend of $2 is being paid finds it necessary to erect new additions to plant at a cost of $20,000,000. Let us suppose further that the debt of this company is of reasonable proportions and that the common stock is selling at around $50 per share. To raise $20,000,000 the company would have to sell 400,000 shares of common stock or a like amount of bonds. The following facts then obtrude regardless of other considerations—

	Dividend Necessary	Earnings Required to Pay
400,000 shs. of stock at $50 per share	$800,000	$1,666,666
$20,000,000 of bonds at 5%	------	1,000,000

Now a board of directors is composed of human beings, presumably, subject to all the mental quirks of others of their species and prone to deductive instead of inductive reasoning if the solution to a problem appears attractive. In spite of the belief that too much fixed debt is financial heresy, the opportunity to save $666,666 annually seems attractive and the company sells bonds—not stock. This example must be typical of what has occurred many, many times in the past ten years—figures are hardly necessary to support such a theory. This has inevitably resulted in a greatly decreased issuance of common shares for new investment than would ordinarily have been the case.

This phenomenon has unfortunately been attended by a tremendously increased demand for common stock. There has been, in addition to the normal growth of investors and speculators, huge buying by investment funds of the open-end type, by thousands of investment clubs all over the country, by the initiation of a partial-payment plan by the New York Stock Exchange and by pension funds, insurance companies, trust funds and other similar organizations which formerly had placed their surplus moneys largely in bonds or fixed income issues. This buying has removed large blocks of stocks from the supply available. The results of the lessened supply and the increased demand are plain to see.

Stocks As Commodities

Many stocks have been pushed to fantastic heights, not because of earnings or asset values or even future prospects, but because shares are scarce and demand is high. They have taken leave of all normal statistical appraisal figures and sell, not as equities, but as commodities. If a metal fabricator needs copper he buys it and if enough fabricators need copper at the same time, the price goes up. Similarly, if enough people as individuals or fund purchasers feel they need IBM or Ampex or some similar issue, they but it. What difference does it make what they pay for it if they must have it? Such issues are no longer stocks—they are commodities.

Blames Some Brokers

The people who have been hurt in this market in the past year have been those who are investors, not speculators; those who have examined prospective purchases carefully, not those who buy on tips or telephone calls; those who stayed out for good reason, not those who rushed in with no reason. Whether this is a healthy situation or not I leave the reader to judge. The seeds of holocaust have been sewn—where and how they will sprout no one knows, but history teaches us that sprout they must. The brokerage business cannot be held free of guilt in helping to provide additional impetus to the avalanche. It must carry a heavy burden of guilt.

Old and conservative banking firms have become little better than boiler-shops in many instances. New faces have flocked to what was an investment business and many of them are poorly educated dabblers in finance who have no idea of the true function of a security advisor. Some are completely conscienceless robots who mouth set "spiels" on the telephone with only one idea in mind — to open a new account. They do not know what they are selling and care less. Some are congenital failures who are entering the brokerage business merely to pass the time of day and profit from the habits of the times. Some are retired men from entirely alien fields of business whose ethical concepts are not only very different from those of the investment field but, often, absent altogether. Many houses whose name used to be a by-word for honest dealing are hiring dozens of uniformed young men to ring doorbells on behalf of open-end funds, not because they believe in these things but because the selling commission is 6% and Stock Exchange commission is a great deal lower than 6%. Stock Exchange commissions are being split in various under-the-table ways regardless of regulations and chicanery and disregard for basic facts are everywhere. The day of the analyst and the statistician has been supplanted by the day of the tipster, the opportunist and the side-show "spieler." A return to honest dealing and honest thinking awaits the millennium. The millennium may be closer than we think. Stocks are not commodities and cannot be traded as such permanently. The laws of supply and demand have always worked in the past and they always will. All that is needed is for the supply to be increased or for the demand to fall off. Then we shall see what we shall see.

LEON H. BLOCK

Simon J. Block & Son,
Baltimore, Md.
Dec. 26, 1958.

Variable Planning Branch

ROCKAWAY PARK, N. Y.—Variable Planning Corporation has opened a branch office at 257 B 116th Street, under the management of Arthur Adamson.

Three With Skaife

(Special to THE FINANCIAL CHRONICLE)

BERKELEY, Calif.—William J. Commerford, Keats O. Hunter and Frank E. Johns have joined the staff of Skaife & Company, 3009 Telegraph Avenue.

Joins E. F. Hutton

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Herbert Flam has become affiliated with E. F. Hutton & Company, 463 North Rodeo Drive.

With Holt & Collins

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Daniel E. Collins has been added to the staff of Holt & Collins, Russ Building, members of the Pacific Coast Stock Exchange.

New Deak Branch

WASHINGTON, D. C.—Deak & Co., Inc., has opened a branch office at 1406 New York Avenue under the direction of Paul Cooper.

Scott, Bancroft Adds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Jackson B. Hanley has been added to the staff of Scott, Bancroft & Co., 235 Montgomery Street.

Spencer, Swain Adds

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Earle F. Spencer, Jr. has joined the staff of Spencer, Swain & Co., Inc., 10 Post Office Square.

With Shaiman Co.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — Joseph M. Jones, Jr. is now affiliated with Shaiman and Company, Boston Building.

Paine, Webber in Gary

GARY, Ind. — Paine, Webber, Jackson & Curtis has opened a branch office in the Gary National Bank Building under the management of Le Roy B. Murdock.

First Eastern Branch

MILLTOWN, N. J.—First Eastern Investment Corporation has opened a branch office at 134 Cleveland Avenue under the direction of Earl H. Christ.

Continued from page 8

What Are the Perils And Pitfalls of Small Business Today?

when developed can be a serious cause for financial difficulties. Not only are problems generated at the employer-employee level, but ineffective communications among managerial personnel themselves often exist with resulting confusion and contradictory policies. Arguments between executives unsettle plant policies and may culminate in the demise of the firm.

Product and Market Relationships

Another managerial lapse has centered around product and market relationships. A number of concerns emphasized one or two product lines that sold well during the period 1946-50 and for a few years in the early 1950s. Then, realizing that diversification in product line might be an insurance against business recession, a number of new lines were added. But diversification involves more than just adding a series of unrelated products to an established line. Many firms have found that they could not digest that which they had created. New production problems, varied types of marketing situations, and the very inability of a limited management to handle a complicated structure have combined to render many of these enlarged operations unprofitable. Some have been saved by dropping all or part of the newer items, but others have been forced into bankruptcy. A serious managerial decision must be made in this regard. On the one hand, the failure record is replete with instances of those companies that did not succeed because they failed to diversify. Yet, on the other hand, improper diversification has brought in its wake a series of failures. The proper decision is not an easy one. But, for those firms having effective management, the chances of survival certainly are enhanced.

It has become common for accountants, planners, and control personnel to point to another pitfall of small business management, namely, improper record keeping. Not only have some firms failed to keep adequate specific records but some are guilty of having no adequate records of any type. One of the indirect effects of the numerous government reports that are required today has been to force the small businessman to improve his record keeping. Not only does lack of effective records prevent the forming of an intelligent picture of the operations of the enterprise, but this also may result in numerous errors such as improper cost allocations, incorrect procedures with reference to payroll accounting, excessive prices paid for supplies, improper profit margins, and the like.

Sales Efforts

Sales management has increased tremendously in importance for today's businessman, small as well as large. Frequently in the past five or ten years, salesmen were in effect order takers. Buyers eagerly sought every potential source of supply. But in the present-day market, where competition has become more keen and buyers are able to sit back and wait, effective selling again has become important. As a consequence, effective managerial principles should be applied to sales efforts in the same way that they have been applied to production, personnel, relationships, and finance.

A number of business firms—especially smaller ones — find themselves in dire straits today as a result of drastic changes in government contracting and procurement. Not only has the government cut back on its overall procurement, but there has been a marked change in the nature of many of the items purchased. As research and development have resulted in more expensive and more complex mechanisms, especially in the field of armaments, the government finds that fewer firms are in position to supply these items. As a consequence, small companies that had relied heavily on government orders now find themselves out of the market, but with no lessening of the burden of fixed charges incurred when government contracts were flowing their way.

Another set of circumstances contributing to small business problems has been the general overexpansion that has characterized much of industry. The pitfalls here are similar to those encountered in the discussion of excessive product diversification. Many firms which expanded when money was abundant now find themselves paying higher interest rates if their loans are renewed or facing the consequence of a refusal to renew their loans.

Among the pitfalls, one should not overlook the increasing complexity of internal management concerning such areas as personnel policies, financing problems, and research and development. Instead of dealing with these as fringe business operations, many of them have become so complex and pertinent to the success of the firm, that specialized management is needed to handle them. Yet in many cases, the small businessman has failed to admit that no longer is he able to handle these facets that were once his main forte.

In conclusion, it cannot be overemphasized that the fundamental pitfall that confronts the small entrepreneur today is one of management — management of materials and manpower.

Continued from page 8

Dealer-Broker Investment Recommendations & Literature

Amott, Baker & Co. Incorporated, 150 Broadway, New York 38, N. Y.

Review & Forecast—Bulletin—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Review & Preview for 1959 — Report — Milwaukee Company, 207 East Michigan Street, Milwaukee 2, Wis.

Shipbuilding Industry in Japan—Survey—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also in the same issue of the Nomura Monthly Stock Digest are data on **Toyota Motor** and **Mitsubishi Shoji**, and a review of the Japanese economy.

Tax Free Dividend Payers—Booklet listing 222 common stocks free of personal property taxes in Pennsylvania which have paid dividends for 25 years or more—Moore, Leonard & Lynch, Union Trust Building, Pittsburgh 19, Pa.

* * *

Allied Laboratories, Inc. — Analysis — Edwards & Hanly, 100 North Franklin Street, Hempstead, N. Y.

Allis Chalmers Manufacturing Co. — Memorandum — Green, Ellis & Anderson, 61 Broadway, New York 6, N. Y.

American National Insurance Company — Data — Boenning & Co., 1529 Walnut Street, Philadelphia 2, Pa.

American Telephone & Telegraph — Discussion — Ralph E. Samuel & Co., 115 Broadway, New York 6, N. Y.

Aztec Oil & Gas Company—Analysis—Granbery, Marache & Co., 67 Wall Street, New York 5, N. Y.

Bayview Oil Corporation—Analysis—Aetna Securities Corporation, 111 Broadway, New York 6, N. Y.

E. W. Bliss — Data — Herbert E. Stern & Co., 52 Wall Street, New York 5, N. Y. Also in the same circular are data on **Scovill Manufacturing**.

Brown Forman Distillers Corporation — Analysis — Hayden, Stone & Co., 25 Broad Street, New York 4, N. Y.

Bullard Co. — Data — du Pont, Homsey & Company, 31 Milk Street, Boston 9, Mass. Also in the same circular are data on **Pittsburgh Coke & Chemical, Bohn Aluminum & Brass**, and **Sherritt Gordon**.

Copeland Refrigeration Corporation — Analysis — Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y. Also available are reports on **Granite City Steel Company, Brown Company, Commonwealth Life, Raytheon Manufacturing** and **Arkansas Louisiana Gas**.

Crown Cork & Seal—Analysis—Alfred L. Vanden Broeck & Co., 55 Liberty Street, New York 5, N. Y. Also in the same circular are analyses of **Riegel Paper Corp., Air Products Inc., Portland General Electric, Atchison Topeka & Santa Fe**, and **Atlantic Coast Line Railroad Co.**

Emery Air Freight Corp.—Memorandum—Shields & Company, 44 Wall Street, New York 5, N. Y.

Flying Tiger Line Inc.—Report—Harbison & Henderson, 210 West Seventh Street, Los Angeles 14, Calif.

General Devices, Inc.—Report—Meade & Company, 27 William Street, New York 5, N. Y.

Kennametal—Information on applications of Kennametal as an engineering material—Kennametal, Inc., Latrobe, Pa.

Laclede Gas Company—Annual report for 1958—Laclede Gas Company, 1017 Olive Street, St. Louis 1, Mo.

Madison Fund, Inc. — Analysis — Herzfeld & Stern, 30 Broad Street, New York 4, N. Y.

National Airlines — Review — John H. Lewis & Co., 63 Wall Street, New York 5, N. Y.

National City Lines—Review—Ira Haupt & Co., 111 Broadway, New York 6, N. Y. Also available is an analysis of **Addressograph Multigraph Corp.**

Newmont Mining Corporation—Report—Thomson & McKinnon, 11 Wall Street, New York 5, N. Y.

Oklahoma Gas and Electric Company — 1958 annual report — Oklahoma Gas and Electric Company, 321 North Harvey, Oklahoma City 1, Okla.

Pearl Brewing Co.—Memorandum—Dittmar & Co., 201 North St. Marys Street, San Antonio 5, Texas.

Precision Transformer Company—Report—John R. Boland & Co., Inc., 30 Broad Street, New York 4, N. Y.

Rucker Plan—Data on incentive plan for executives—Eddy-Rucker-Nickels Company, Harvard Square, Cambridge 38, Massachusetts.

Russell Manufacturing—Analysis—John C. Legg & Company, 76 Beaver Street, New York 5, N. Y.

Sheraton Corporation of America—Analysis—Sutro Bros. & Co., 625 Madison Avenue, New York 22, N. Y.

Sinclair Oil Corp.—Analysis—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is an analysis of **White Motor Company** and of **Automobile Stocks**.

Strategic Materials Corporation—Analysis—Gersten & Frenkel, 150 Broadway, New York 38, N. Y.

Studebaker-Packard vs. Botany Mills—Report—Lerner & Co., 10 Post Office Square, Boston 9, Mass.

With White, Weld

(Special to The Financial Chronicle)

MINNEAPOLIS, Minn.—Marvin J. Newman has become associated with White, Weld & Co., Rand Tower. He was formerly with Francis I. du Pont & Co.

Joins B. C. Christopher

(Special to The Financial Chronicle)

KANSAS CITY, Mo.—John N. Mann is now affiliated with B. C. Christopher & Co., Board of Trade Building, members of the New York Stock Exchange.

With Lucas, Eisen

(Special to The Financial Chronicle)

KANSAS CITY, Mo.—John I. Willhauck, Jr., is now with Lucas, Eisen & Waeckerle, Inc., 916 Walnut Street, members of the Midwest Stock Exchange.

Washington . . . And You

Behind-the-Scene Interpretations from the Nation's Capital

WASHINGTON, D. C. — The enormous passenger - deficit problem of the American railroads again has been brought to the fore of official Washington. Congress and the Interstate Commerce Commission could, if they will, do something to aid the industry and transportation generally.

Both the law-makers and the ICC have an obligation to the people, as well as to the railroads. In 1957 alone the railroads of this country chalked up a passenger deficit of $723,483,000. As a matter of fact the deficit has been climbing to a point where it is extremely critical.

With the exception of the four wartime years of 1942, 1943, 1944 and 1945, the railroads have had a passenger deficit every year since 1936. In 1956 the deficit was $696,000,000 and the year before that it was $636,000,000. Now the deficit problem is so great that something is going to have to be done.

Last September ICC Examiner Howard Hosmer made the headlines in a 75-page plus report after hearings that the way things were going it looked to him like the railroad passenger business was coming to the end of the line. He expressed belief that, in another decade, the passenger coach may take its place in the transportation museum along with the stagecoach, the side wheeler, and the steam locomotive.

Contrary Views and Suggestions

The ICC, as a result of the prediction that the passenger trains are headed for oblivion, has received exceptions to the report. Examiner Hosmer's report was designed to inform the Commission about the passenger business and the cause of the deficits year after year.

Who are filing the exceptions, comments and statements with the ICC? Officials of American railroads, the Department of Defense, the National Association of Railroad and Utilities Commissioners, the National Coal Association, the General Services Administration, and others.

The National Coal Association declared with emphasis that the best possible and just relief that the ICC could render in view of the report would be to rule that unprofitable passenger service generally is not required by public convenience and necessity. Therefore, it should not be continued at the expense of either the shippers or the stockholders of the railroads.

The National Association of Railroad and Utilities Commissioner declare that the Hosmer report should not be adopted by the Commission on the ground that "the adverse effect of such a defeatist document cannot be overemphasized." The General Services Administration, the Federal Government's housekeeper, suggested further proceedings in order that the ICC might determine the types of trains which should continue operating or be discontinued. GSA also suggested a possible change in fares that would attract more passengers, and perhaps improvements in service and equipment, which the railroads might provide.

Puts Blame on Government

The Association of American Railroads declared that the record abundantly support Examiner Hosmer's view that the paramount underlying cause of the passenger traffic loss has been governmental promotion of air and highway transportation. Major contributory causes have been "the inflationary cost spiral, archaic and outmoded bases of compensating passenger train service employees, excessive and inequitable tax levies and the imposition of the Federal tax on transportation," according to the presentation filed by the AAR's general solicitor.

The railroads maintain that although the Commission's jurisdiction does not embrace all things, nevertheless the agency should make a concerted effort toward pointing the way toward a solution of the problem.

Impact of Labor Strife

The railroads and many members of Congress have long felt that the ICC has over-regulated railroads. As to the labor costs, the railroads' presentation to the Commission declares that the record of the national transportation policy bears adequate evidence to support a finding that one of the principal contributing factors to the passenger train service deficit has been the inability of railroad labor and management to arrive at terms that permit economical and efficient passenger train service.

The recent series of strikes by airlines stimulated railway passenger service in some sections. The strike also stimulated interest in reviewing the Railway Labor Act, because the strikes on airlines are within the scope of the Railway Labor Act. Secretary of Labor Mitchell recently announced plans for an early conference to determine whether or not the act needs amending.

Some of the railroads are planning on experimenting with fares in an effort to try and attract more passengers. For instance the New Haven Railroad, effective Feb. 1, is planning on a nine-month trial, hopeful of landing new business. New Haven will offer a round trip fare which will be 180% of two first class one-way fares. Tickets will be good for 30 days. The reduced rates for first class is already in effect on coaches. Effective March 1, New Haven will offer family fares.

Rails' Most Pressing Problems

With Congress returning, the Association of American Railroads issued a 19-page printed report, and entitled it "The Urgent Six." Probably every Congressional office received a copy of the report. Out of a score of major problems confronting the railroads, the ones that the carriers regard as the most serious, and therefore the most urgently in need of attention by Congress. "The Urgent Six" were clearly and concisely outlined at the beginning of the phamplet. Here is the way they are listed:

(1) Railroads still are required to help pay for highways, airways, airfields, and waterways, but do not have the same opportunity as other taxpayers to use these facilities for a business purpose.

(2) Fully self-supporting, taxpaying railroads still are unfairly handicapped by having to meet competition that is tax-supported.

(3) A 10% travel tax imposed in World War II to discourage use of public carriers continues —14 years after the war—to do just that.

(4) Railroads must continue to bear the full cost of unemployment insurance benefits for employees that far exceed benefits under programs covering other workers.

(5) Railroads still are deprived of equal opportunity to share in transporting agricultural commodities, which when transported by motor truck are exempt from regulation by the Interstate Commerce Commission.

(6) Vitally needed modernization of railroads continues to be frustrated by unsound policies governing depreciation of plant and equipment.

More Relief Sought

At the 1958 session Congress passed the Transportation Act repealing Federal excise tax of 3% on freight charges. Obviously the industry greatly welcomed enactment of the measures. Apparently the railroad industry has made up its mind that it is going to make an all-out effort to get Congress to enact additional measures during the 86th Congress in an effort to get the railroads on sound transportation grounds.

The 10% World War II travel tax is adding about $200,000,000 a year to transportation costs in this country. The railroads believe that they would be helped greatly if that tax were repealed. The carriers contend that the revenue loss to the government, if the tax were repealed, would be partially offset by an increase in revenue from the income tax. The tax applies only to those traveling within the United States, and does not apply to overseas travel.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

BUSINESS BUZZ

"Never thought I'd see the day we'd have a criminal in our own club—J. C. just received a summons for jay-walking!"

Business Man's Bookshelf

American Economy 1959—Internal and external problems facing the American economy discussed in a series of 13 articles in the "Saturday Review"—Saturday Review, 25 West 45th Street, New York 36, N. Y., 25 cents.

Business Loans of American Commercial Banks—Edited by Benjamin Haggot Beckhart—The Ronald Press Company, 15 East 26th Street, New York 10, N. Y., $7.50.

Business Outlook for 1959 in 26 World Markets—Business International, 200 Fourth Avenue, New York 3, N. Y., $26.00.

Department of Labor Reports—Characteristics of Pension Plans; Plant Adjustments to the $1 Minimum Wage; State Employment, 1951-57; Factory Labor Turnover October, 1958 — U. S. Department of Labor, Bureau of Labor Statistics, 341 Ninth Avenue, New York 1, N. Y. (on request).

Effective Marketing Action—Edited by David W. Ewing—Harper & Brothers, 49 East 33rd Street, New York 16, N. Y. (cloth) $6.

Executive's Guide to Handling People—Frederick C. Dyer—Prentice-Hall, Inc., 70 Fifth Avenue, New York 11, N. Y. (cloth), $4.95.

Federal Wage Hour Handbook for Banks—Supplement I to the 1956 Edition—Bank Personnel Administration Department, American Bankers Association, 12 East 36th Street, New York 16, N. Y., $1.00.

Foreign Exchange Regulations in Great Britain, Supplement 15—Bank for International Settlements, Basle, Switzerland, 10 Swiss francs.

Fundamentals of Corporation Finance — Joseph F. Bradley — Revised edition — Rinehart & Company, Inc., 232 Madison Avenue, New York 16, N. Y., (cloth), $7.00.

Guide to State Employment and Earnings Statistics—Directory of industry coverage for New York, New Jersey, Pennsylvania, Delaware, Maryland and District of Columbia—U. S. Department of Labor, Bureau of Labor Statistics, 341 Ninth Avenue, New York 1, N. Y., single copies on request.

Management of Scientific Manpower—American Management Association, 1515 Broadway, New York 36, N. Y., $3.75.

Manpower Studies: Young Workers Under 18, Today and Tomorrow—20c; 1958 Handbook on Women Workers—45c; Help for Handicapped Women, 1958—40c—U.S. Department of Labor, 341 Ninth Avenue, New York 1, N.Y.

Marketing Reference Bureau Index of Advertising & Marketing Publications — MRB Index of Advertising and Marketing Publications, 1616 Pacific Avenue, San Francisco 9, Calif., $27.50 per year (published monthly).

President's Guide—Prentice-Hall, Inc. Englewood Cliffs, N. J., $35.00.

Puerto Rico Water Resources Authority—Annual Report—Puerto Rico Water Resources Authority, San Juan, P. R.

Reporting Sales Data Effectively—Elizabeth Marting—American Management Association, 1515 Broadway, New York 36, N. Y., $12.00.

Research Approach to the Leisure Time Challenge — Stanford Research Institute, Menlo Park, Calif. (paper).

Reshaping Foreign Policy Amid Revolutions — Foreign Policy Association, Inc., 345 East 46th Street, New York 17, N. Y. (paper) 35 cents.

N + Cup'd

ESTABLISHED 1839

In 2 Sections—Section 2

The COMMERCIAL and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 189 Number 5812 New York 7, N. Y., Thursday, January 15, 1959 Price $1.50 a Copy

Monthly Range of Prices on the New York Stock Exchange During 1958

THIS SECTION contains a tabulation showing the high and low prices, by months, for the year 1958 of every bond and stock in which dealings occurred on the New York Stock Exchange. The record for stock issues start on page 2, for bonds on page 18.

Business and Finance Speaks

After the Turn of the Year

THE OPINIONS of many of the nation's leading executives on the outlook for business during 1959 appear in the FIRST SECTION of today's ANNUAL REVIEW NUMBER

Monthly Range of Prices on the

NEW YORK STOCK EXCHANGE

The tables which follow show the high and low prices, by months, for the year 1958 of every bond and every stock in which any dealings occurred on the New York Stock Exchange. The prices in all cases are based on actual sales.

COURSE OF PRICES OF RAILROAD AND MISCELLANEOUS STOCKS AND BONDS FOR 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
A																									
Abacus Fund	1	30½	33	32	33	32	34¼	33½	36¾	36½	37¾	37¾	40	36½	39	36	39	38	39¾	36¾	38⅝	37¾	39	39⅜	40½
Abbott Laboratories	5	43⅝	47	47	49¼	47⅝	54⅛	51	57¼	54½	57⅝	53⅛	57⅜	56½	59¼	57⅞	61½	59⅛	67½	62⅜	68⅞	65½	71⅜	64	70½
4% convertible preferred	100	102½	106	103¼	105	105¾	109	106	108½	107½	110½	106½	110½	110¾	112	111½	113	107	114¼	109¾	115	113	120	117	120
ABC Vending Corp	1	14	16⅛	15⅜	16⅛	15¾	16⅞	16¼	17⅞	17¼	19¼	17½	18⅞	17⅝	18½	17¾	20½	18⅝	20⅛	17⅜	20⅛	18⅜	20¼	18¾	19⅞
ACF Industries Inc	25	37¾	42¾	42	45½	42⅝	43⅝	40⅜	43⅜	38¼	40⅝	38	40½	37⅛	42⅞	39⅝	45⅜	39½	43⅞	41⅝	49⅝	44½	49⅜	45½	48⅞
ACF-Wrigley Stores Inc	1	14⅜	16	15¼	17⅛	16⅝	18⅜	16⅝	17⅝	17⅝	20⅜	19⅝	20⅝	17¾	19½	18	19½	18½	22¾	20⅛	23½	21	24¾	23	24½
Acme Steel Co	10	19⅜	24⅜	20¼	22⅛	20⅛	21¼	19¾	20⅞	19¾	21⅜	20	22	20⅜	25½	23⅛	25⅞	23½	26	25	29½	25½	27	24½	26⅝
Adams Express	1	20½	22¾	21¾	22⅞	22⅛	22⅞	21⅝	23	22⅜	23⅜	22¾	24⅛	23⅜	25½	24⅝	25½	25	26¼	25⅛	26⅜	26¼	28¾	26	29⅝
Adams-Millis Corp	*	24½	26¾	25¾	26⅜	25¾	26⅞	26¼	27⅛	26⅝	30¼	28	29¼	28½	31½	31½	32½	30¼	32	31⅛	33½	31¾	33¼	31	33½
Addressograph-Multigraph Corp	10	143	161	154	163½	154	180	171	188	182	193	188	203	200	225	220	257	245½	270¼	—	—	—	—	—	—
New	5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	82½	90¼	82	94	85½	97	90¼	96
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1 7/32	1 11/16	—	—	—	—
Admiral Corp	1	7	8⅝	8	9¼	8⅛	9⅛	8⅛	8¾	8½	10⅝	9½	10½	9½	10⅝	10	12⅜	12¾	15¼	13⅛	15½	15	18⅛	17⅛	19⅞
Aeroquip Corp	1	16⅞	21⅞	17¼	18⅞	17⅝	20⅜	17½	19⅜	17⅝	19⅝	17⅝	19¼	17⅝	20⅜	18⅝	20½	18¾	20	18¾	20½	19⅝	25¾	22⅝	25½
Aetna-Standard Engineering Co	1	17¼	22¾	21½	23	21¼	22¼	20⅞	23¾	21	25¼	22¼	24⅞	22¾	24¾	23¼	25⅜	23¼	27½	25¼	28½	24	27½	27	31½
Air Reduction Co Inc	*	49¼	54⅛	51⅛	55⅜	52	56¼	49¼	55	54½	59⅜	56⅞	60¾	56⅝	64	62¼	65	64	69⅜	68½	73½	71¼	83½	77⅞	81¾
4.50% conv preferred 1951 series	100	193¾	203	200½	206	204	210	198¾	198¾	206½	206½	—	—	225¼	225¼	240	240	248	248	—	—	—	—	297	297
Alabama Gas Corp	2	24⅜	28¼	27⅝	28⅞	28	31	30¾	32⅝	31½	33	31½	32½	31¾	33⅛	31¼	33⅝	31½	32¾	31⅛	32¾	32⅝	33¾	32½	34
Alabama & Vicksburg Ry Co	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Alaska Juneau Gold Mining	2	2⅛	2⅝	2½	3	2⅜	3⅛	2⅜	3	2⅝	3¼	3	3¼	3¼	5	3¾	4⅜	3½	4⅛	3¼	3⅝	3¼	3⅞	3⅜	4⅛
Alco Products Inc	1	11¼	14⅝	13⅛	14¼	13⅞	14⅝	13⅞	16⅜	15⅞	17½	16	17¼	16⅜	18⅝	17⅝	18⅝	17½	18¾	18	19½	18⅛	20⅜	18⅛	20⅛
7% preferred	100	108	110	109½	110½	109	111¾	111	114	114	114	113	116	115	115¼	—	—	—	—	—	—	—	—	—	—
Aldens Inc	5	14	17½	16⅜	18	17¾	18⅞	18½	21	18½	20¾	18	19	18¼	19⅞	18¾	20¼	18¾	21½	20⅝	22	20¾	24½	23¼	26
4¼% preferred	100	72	74½	72½	74	73½	75	75	80	77½	78	75½	77½	75	77	75	76½	75	77	76½	78¼	78¼	80½	79	80½
Alleghany Corp	1	4⅛	5¼	4⅛	5	4⅛	5¼	4⅜	5¼	4⅞	5⅜	5⅜	6¼	5½	7⅛	6¾	7¼	7¼	8⅞	7⅝	9¼	8⅝	9¾	8⅞	10⅛
5½% pfd series A	100	200¼	210	—	—	165	200	178¾	211	210	220	215	220	220	280	106¼	277	105½	109	101	103½	91	95½	93½	93¾
$4 conv prior preferred	*	80	91½	80½	87	81	87½	82	87½	88¼	93	93¾	102½	97¼	112	111½	113¾	114	144	131	143	140	155¾	145	160
6% convertible preferred	10	—	—	—	—	15½	18⅞	14½	17½	15¼	17½	16¾	18⅝	16½	19⅞	18¼	19⅞	19¾	26¼	22⅜	28	26	29	27⅛	33
Allegheny Ludlum Steel Corp	1	30⅛	35	32⅛	34¾	34⅜	37¾	31⅝	34⅜	32⅝	37¼	33⅛	37½	33⅝	44¾	40⅛	43½	43	47½	40⅜	49¼	44¾	49⅜	44¼	48⅝
Allegheny & Western Ry 6% gtd	100	92	96	94	94	93½	95½	91	95¾	92	95½	91	95½	93	94	94	98	94½	96½	94½	97	95¼	96½	96¼	100
Allen Industries Inc	1	12¾	13½	13¼	14½	13⅛	13¾	13	13¾	13	13½	13⅜	14	13½	14½	14	14⅞	14⅜	15⅛	14¼	15¼	13⅞	14¾	12	14½
Allied-Albany Paper Corp	5	1⅝	2	1⅞	2¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Allied Chemical Corp	18	72¾	79	75⅛	80¾	73¼	80	72½	75¼	74¼	78½	75	78½	76⅜	88	84½	90½	87¼	93⅛	87½	96⅜	88	95½	88¼	95⅛
Allied Kid Co	5	21	23½	23¾	24½	23	24⅛	22¾	24½	24¼	25⅞	26	33¾	28½	30¾	28⅛	30¾	28⅜	30⅞	29¾	32	28⅞	32⅜	28⅜	30¼
Allied Laboratories Inc	5	40⅛	45⅜	41⅜	46⅝	43¼	49⅜	44	47¼	39⅞	46¼	35⅞	42½	36¼	41	38¼	41⅜	42⅛	45¾	41⅝	45⅜	42½	49⅜	46½	57
Allied Mills Inc	*	27	30⅝	30	31⅛	30	32¼	31	32⅞	32¾	35¾	35	36½	36½	39¾	37	38⅞	37⅞	40⅝	40⅛	43¾	39	41½	38½	40¾
Allied Products Corp	5	13¾	15⅞	12⅞	15¼	11½	13⅛	11	11¾	10½	12⅜	10⅞	12¼	11¼	12¾	12⅛	13	12	13⅛	12	13¼	10½	12⅜	10½	11¾
Allied Stores Corp common	*	35¾	41¼	40⅝	44	42¼	47¾	43⅛	47⅛	42⅝	47	41	45⅝	42⅛	45	44½	47	46⅛	50¾	48	50⅜	49½	53½	52¼	55⅛
4% preferred	100	74	80	77½	80	76	79½	78	80½	78⅝	80	77½	81	79	82½	80	81½	76½	80¼	76	79¼	77	79½	76	82½
Allis-Chalmers Mfg Co	10	23½	26¾	24⅛	26¼	23½	25	22⅝	24½	22⅛	24⅞	22⅝	24⅛	23¾	27½	25⅞	28	25⅞	28¾	27⅜	29¾	26⅝	29¾	27¼	30⅛
4.08% conv preferred	100	91¾	99	93½	97	95½	99	95½	98	95	96	96	98	98	103	102	102¾	102	108	103	107	107	111	105¾	108½
Alpha Portland Cement	10	27	33⅜	30½	33⅝	31¾	34⅛	30⅞	33⅞	30¾	32⅛	31⅜	32½	32¼	36¼	33¾	36¾	35⅜	37¼	35⅝	42¾	37½	42⅜	37½	39
Aluminium Limited	*	27	29⅝	26¾	30⅛	27½	32¼	26¼	28½	26½	28¼	26	27⅞	26½	29⅞	28¼	33⅜	28⅛	32¾	31¼	38⅜	30⅜	34⅛	30½	33¼
Aluminum Co of America	1	60⅜	66¾	63⅜	66½	64⅞	74½	62½	68½	64⅝	70½	65⅝	71⅜	69⅛	79¾	77	84½	76½	90	82⅝	96½	82⅝	89	85½	94⅛
Amalgamated Leather Cos Inc—																									
6% convertible preferred	50	22	23	24	24¼	22½	24	24½	52	30½	48	34	36¾	31	33	30½	36	34½	34½	34	35⅛	32½	33	32⅛	33¼
Amalgamated Sugar Co (The)	1	27¾	31	30½	32¼	31	32	32⅛	34	34¼	37	35¼	36	35½	36½	35¼	36½	36½	38½	37	37½	37½	40½	40	42½
Amerace Corp	12.50	34	37¾	33⅝	39¾	37¼	40½	36¾	39½	38½	45⅜	42¼	45½	43	45¾	43¼	45¼	43½	49¼	44½	47¾	47	51⅞	48	53⅞
Amerada Petroleum Corp	*	88¼	93½	81	90¾	83½	93¼	87¼	89⅝	91	98⅜	96¼	105¼	101½	111⅜	105¾	110⅞	108	114⅜	102½	112⅞	99½	108½	98	103¾
American Agric Chemical (Del)	*	64¼	70¼	69¾	71½	69¾	71½	67½	75⅝	73⅜	76⅜	74	78	75½	78½	78	89¾	77½	89	78¾	87½	83	87½	85½	90
American Airlines Inc	1	14⅜	17⅞	16¾	18¼	16½	17⅜	15¼	18⅛	17⅛	19	18⅝	20¼	19⅜	21⅞	21½	23¼	21½	23⅝	22⅞	25¾	23¾	25¾	22⅝	24⅞
3½% convertible preferred	100	85½	90	88½	91	88	90	88⅝	92½	92¼	96	95½	100	98½	105	105	111¼	104	111½	110	125¾	119	122½	108	119
American Bakeries Co	*	34½	37⅞	36½	39	37¾	39⅞	39½	42¾	40¾	42¼	40¾	41⅞	41¾	44⅝	42⅛	44	41¾	43	42	43	42⅝	44⅞	41½	44¼
4½% convertible preferred	100	97⅞	100	99	100	100	102	102	108½	104⅝	106½	105¾	108	105	108	105	107½	103	107	107	111	105	111	107¼	108½
American Bank Note Co	10	29⅜	32¼	29¼	29⅞	27½	29½	27⅛	28¼	28½	31¼	30¼	32½	31¾	35⅞	34	35¾	34	38	38	40¾	38½	39¼	37¾	39
6% preferred	50	60	62	60½	61	59¾	60½	59¾	61	61	66½	59	66	59¼	61½	61	62	61¼	62	61¼	63	64	65¼	58½	60½
American Bosch Arma Corp	2	19⅞	22⅛	19⅜	21¼	19½	22⅝	21	22⅜	20⅝	24½	23⅛	26½	23⅜	25⅞	24¾	27½	25½	27⅞	23¾	29¼	27⅝	36¼	32¾	37⅜
American Brake Shoe Co	*	33¾	37¾	35⅛	37⅞	35	37⅝	34¼	36¼	34⅛	35½	34⅞	38⅝	37½	41	39¾	41⅞	40	43¾	41½	44⅝	41¾	44½	44	47¾
4% convertible preferred	100	—	—	—	—	78	80	79	86	90	99½	—	—	—	—	—	—	—	—	—	—	—	—	—	—

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January		February		March		April		May		June		July		August		September		October		November		December	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Amer Broadcasting-Paramount Theatres Inc	1	13	15⅝	13¾	15⅛	13¼	16¾	15⅛	18	16⅝	17⅞	17⅛	18½	17⅞	19¾	18½	20½	19	20¾	19¼	21	19⅝	22	19½	20⅞
5% preferred	20	19	19	19	19	19	19	19	19	19¼	19¾	19	19	19	19	19	19	19⅜	20¼	19½	20	19½	19¾	19	19½
American Cable & Radio	1	3¾	4⅜	4	4¼	4	4⅜	4	4⅝	4⅜	5¼	4⅝	5⅛	5	6	5⅝	6⅞	6¼	7⅜	6½	7⅜	7	9⅝	7⅞	9¼
American Can Co	12.50	41¼	43⅜	42⅛	43¼	42⅛	44⅝	42¾	48	46⅜	47⅞	47½	49⅝	47⅜	50⅛	45⅝	48⅛	46½	50	48¼	52¼	48⅛	52⅜	48⅜	51
7% preferred	25	40⅝	42⅞	40	41⅞	40	41⅜	40⅜	42½	41⅛	42	40½	42⅜	40⅛	41⅞	39	41⅛	37½	39⅜	37¾	40	38⅜	39½	38⅛	39⅞
American Chain & Cable Co Inc	*	39½	45¼	41½	45¾	41½	45¼	41⅜	44¾	43⅝	45⅛	43⅛	44⅛	43¼	47⅞	46¼	49⅜	47	51	47½	50¼	47⅝	49¾	47⅜	49
American Chicle Co	*	62¼	69⅞	66¾	69¾	67¼	71½	69½	74½	74	79¾	74⅛	80¾	77½	83	78	83⅞	78½	83½	78	89½	89	107	92¼	98¼
When issued		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	45¼	47¾
American Crystal Sugar Co	10	29⅛	31	30¼	33	32½	34	33¼	35	33¾	36	34	35⅞	34½	36⅛	34⅝	39⅜	37½	43¼	38¾	42½	37¼	39⅛	39	44½
4½% prior preferred	100	80½	84	83	92¼	91	96½	93¼	93¼	93	94	94	95¾	94	95	--	--	88	94	85	88	85	85½	84⅞	87¼
American Cyanamid Co	10	39½	44	39¾	42⅜	40⅜	46⅜	42⅛	46⅜	45½	47⅞	43¼	47	44	52⅜	48	51½	48⅞	53⅝	47¼	53⅜	48⅞	54⅝	49¼	55¾
American Distilling Co	20	25⅜	27	25	26¾	26½	32	29⅝	31½	30	32⅝	31⅜	34¾	32¼	35⅞	32⅛	35⅞	32½	36⅞	35	38⅞	35⅞	40¾	38	40¼
f American Electric Power Co	10	--	--	--	--	--	--	--	--	42⅛	44¼	41¾	44⅛	42⅞	45	41⅝	44⅛	41¾	44⅝	43⅞	53¼	48⅞	51⅜	49¼	55⅞
f Name changed from American Gas & Electric Co.																									
American Encaustic Tiling Co Inc	1	13¼	14½	13½	15⅝	15	17⅛	16½	18⅛	17¼	20¼	18¾	19¾	19¾	21⅜	21½	22⅞	22⅛	22½	21¾	22⅛	--	--	--	--
American Erka Corp	5	14⅛	16⅜	15⅞	17⅜	16¾	17½	17	18⅞	17	19½	18¾	21¾	18⅛	23⅛	22¼	24	20⅞	23½	21	23⅞	23	26⅞	22⅞	25⅝
American European Securities	*	34⅞	36¼	32½	35½	33⅛	34⅞	33⅞	37	36½	37¼	39	42	40¾	42¼	40	41¾	41½	44	41	43½	41¾	42½	40	43¾
Rights		1 1/16	1⅝	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
American Export Lines Inc	40c	19⅞	23¾	23	24½	22⅝	24⅝	23¾	25½	24⅜	26¼	23¾	25¾	25⅛	27	26¼	28¾	26⅛	28	26¾	28⅝	27¼	30	28	30⅜
American & Foreign Power Co Inc	*	11¾	12⅞	12⅜	13¼	12¼	13⅛	12⅝	14⅝	12⅞	14⅛	13¾	15⅜	14⅞	16¼	15⅝	17⅜	16	17¼	15⅞	18¾	16	18½	16¾	17¾
American Gas & Electric Co	10	38⅜	43⅛	39⅞	42½	40⅞	44⅝	41¾	45⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
American Hardware Corp	12.50	16¾	20⅛	18⅝	21⅛	20⅝	21⅝	20⅞	22⅞	22½	24⅜	22¾	24	22⅝	25⅜	24½	27¾	26	32¼	30¼	36⅞	34¾	41	30	41⅜
American-Hawaiian Steamship Co	10	75	95	85	88	80	88	79	86	78	86½	81½	85	81	84¼	82	85¼	82	85	82	88½	86	93	88½	92
American Home Products Corp	1	73	81	78	80¾	79⅛	83⅞	81	91¼	89½	95½	93¾	106¾	97⅛	106	103	108⅛	104	113	110	123½	121¼	132	123½	134
American Ice Co	*	13	14¼	14	15	15	16½	15⅞	16	15¾	16⅛	15¾	16½	16⅜	17¾	16½	18	16	17	15	16¼	15¼	15¾	14	15⅞
6% non-cum preferred	100	94	95½	96	96	--	--	105	108	--	--	--	--	104	104	102	108	--	--	105	105	--	--	101	101
American International Corp	1	13⅛	14⅛	13	14	13	13⅜	13	13¾	13¼	13¾	13¾	14⅛	13¾	14½	14⅛	15	14¾	15⅞	15¼	15⅞	15¾	17⅛	16	17
American Investment Co of Ill	1	16	18⅛	17¼	18¼	17¾	18½	18¼	19½	18⅞	20⅜	18¾	19⅝	19	21½	20½	21⅛	18⅞	20⅝	19⅝	21½	19⅝	20⅝	19½	20
5¼% prior preferred	100	96	100	98	99¾	100	100	100½	102	102	104	105	111	102	103½	100	101½	99¾	101½	99	101½	101½	102½	102	103
American Machine & Foundry Co	7	32¼	36⅝	34¼	37⅞	34½	37⅝	34⅛	36½	33⅜	35⅛	33⅝	37¼	36¼	38½	37⅝	42⅜	40⅝	47¼	45⅝	54⅜	51⅞	59¾	51¾	57¼
3.90% preferred	100	79	79	82½	83½	81½	82½	81½	84½	84½	84½	84½	85½	85½	85½	81	83	81¼	84	80¼	83	79½	81½	81	83
American Machine & Metals Inc	*	47½	52¼	50	53¾	52¼	57½	51¾	55¼	50¾	53¼	51¼	55	52	55	54¾	58⅛	55¼	63	60¼	65¾	64¼	70	65¼	68½
American Metal Climax Inc A		17½	19⅝	19	20⅜	19⅜	21⅞	18¾	20⅞	20⅛	22¼	22⅛	24⅛	22¾	25½	23⅝	26¼	23⅞	25⅝	24⅞	30⅞	25½	28⅜	25¼	28
4½% preferred	100	92	92½	93½	93½	--	--	93½	94	95½	95½	96	96½	96½	97	96½	96½	96½	96½	99	102	96⅞	99½	97	98
American Metal Products Co	2	20⅞	22½	20⅛	21	20⅛	23¼	20⅛	20⅝	20⅛	21⅛	21	23⅞	20¾	22⅜	21½	23⅛	22¼	24⅜	23⅛	26	23⅝	25⅛	23½	31
5½% convertible preferred	20	23¼	23¼	--	--	--	--	--	--	22½	23¾	24⅝	24⅝	23¼	24½	24¾	24⅞	25¼	27	27½	27¾	26⅛	27¾	26⅛	32½
American Molasses Co	1	11	12	11⅝	12⅞	12⅞	13¼	12¾	14¾	13½	14¼	14	15⅜	13⅜	14⅛	13½	14⅛	14	15¼	14⅝	15¼	14⅞	16⅞	15¼	16¾
American Motors Corp	5	8	9⅞	8¼	9½	8⅛	9	8½	12¼	11	14⅞	11	13¾	11¾	15¼	14	17½	16⅛	21⅜	19¾	36⅜	29¾	36¾	31⅞	41½
When issued		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	38¼	38¼
American Natural Gas Co	25	48½	58	53½	58⅛	57	59¾	57⅛	60¾	57¾	61⅝	59⅞	63	58¾	62	58½	60¼	58⅝	61	60¾	65	62¼	69½	63	66½
American News Co	*	20⅜	26½	23⅜	25¾	24	28½	25¼	27	23¾	26¼	24	25	23⅞	25½	25⅞	28⅝	27	28⅜	26½	29⅜	28¼	34⅜	32½	35¼
American Optical Co	1	36⅛	38¼	37⅛	38¾	37¼	39⅛	36	38	36⅛	38	36¾	38¼	36½	38⅞	34⅞	38⅝	34¾	37	36⅜	37⅞	37½	40⅝	37⅞	40⅜
American Potash & Chemical Corp	*	39	42¼	35¼	40⅞	35¾	39½	33⅜	36½	34	39	37¼	40¾	39¾	46¼	44⅜	49¾	45⅝	48⅝	45	49¼	41	48¼	41⅛	45⅛
Amer Radiator & Standard Sanitary	5	11¼	13⅝	13	13¾	12¾	14⅜	11⅞	13	11¼	12⅜	11¾	13¼	12¾	13⅞	13⅛	14⅜	12⅞	13⅞	13⅛	15⅜	13¼	14¼	13¾	16¾
7% preferred	100	154	155½	154	154	156	156	156	156	153	157	153	154½	151¼	152	151	154	149¾	150	146½	149½	144¾	146	145	147
American Seating Co	10	22¼	25¼	22¾	26	23⅛	27⅞	26	28⅜	28	30⅜	28	29½	27¾	30¼	29	32	30⅜	32	30¼	32¼	31½	34⅞	32½	34⅞
American Ship Building Co	*	55	63¼	54⅛	60	51½	56½	48¾	65	58	68	58	61½	53½	63	52½	60¼	55¼	58½	55½	62½	55½	61	54	58½
American Smelting & Refining Co	*	35¾	40	38⅞	41⅝	40⅛	46½	39	45⅞	42½	45¾	43⅞	46⅝	42⅝	48⅛	42¾	47	42⅝	49½	48	51⅞	46¾	50⅞	45⅛	48⅝
7% preferred	100	152	154	147½	153	146	148	145	153½	147	153	148	155	144	154½	142¼	147½	141¼	145	140	143¾	141	145	141¼	144⅜
American Snuff Co	25	43	46	45	49	46¼	47¾	47	56	52½	55½	52½	54¼	52	53¾	54	57¾	55¼	56⅜	56¾	59⅜	57¾	61½	59½	61
6% non-cumulative preferred	100	117¾	121½	122	124	123	123⅝	123¼	123⅝	123¼	125½	123⅝	125½	125	126	122½	126	121½	124	119	123	120	123	120½	122½
American-South African Investment Co Ltd	£1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	27¼	29⅜
American Steel Foundries	1	27¾	32¼	30	33	30	32¼	27⅞	31½	31⅛	33⅛	31⅝	34⅜	33⅝	37⅞	36⅝	39⅛	36	41⅝	38¾	41⅞	39⅜	42¾	40¼	45⅞
American Stores Co	1	65½	69	67	72	67¾	73¾	70	75	68½	74¼	72	75⅝	74	77½	75¼	80¼	78	93¾	83	92	86½	95½	89½	105
American Sugar Refining Co	25	26½	28⅜	25¾	29½	27½	30¼	27½	29	28½	30¾	28¼	31	28⅝	34	31¾	34¼	32¼	34¼	32⅛	34½	32	34½	33½	35½
7% preferred	25	31⅛	33¾	32	33⅝	32⅜	33⅜	32⅜	33⅞	33⅛	33⅞	32⅝	34	32¾	34⅛	33	34⅞	32⅜	34⅞	32⅝	34⅜	33	34⅞	34	35¼
American Sumatra Tobacco Corp	5	8¾	9⅜	9	9½	9¼	11¾	10	10⅝	9⅞	10½	10⅝	11½	10⅝	12⅜	11⅞	13⅜	11⅞	13⅝	11⅛	14¼	12½	14½	12½	14½
American Telephone & Telegraph	100	167⅞	174¼	171¼	173¼	170⅜	172¾	171⅞	177⅝	174½	178⅞	176¼	179½	177½	180¼	180	184	184	195½	189½	196	193	202	195¾	227⅛
Rights		2 21/32	3⅛	2 13/32	3 1/16	2 13/32	3¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
American Tobacco Co	25	77	81¾	74¾	81¾	76⅝	80½	80	87⅜	83	87¼	83	89¼	85⅛	89¼	85¼	89	85½	90½	89	92	89⅞	93	93	97¼
6% preferred	100	122½	133	127	137	127¼	129½	127	134	129¼	133½	128¾	134½	127½	131	122½	129½	119⅜	124	120	122¼	121	128	123	126¾
American Viscose Corp	25	25½	28½	26⅛	29⅞	26½	29⅛	27½	31	26⅝	29⅛	26	28⅝	26	31⅞	29⅜	32⅜	29⅜	34¾	32½	35⅞	34¼	39	35⅛	37⅞
American Water Works Co Inc	5	9⅞	10½	10¼	10½	10¼	11⅝	11⅜	12½	12⅝	14⅝	13¼	14⅝	13¾	15⅜	13¾	15	14¼	15	13¾	14¾	12⅞	13⅞	13¼	14⅞
Preferred 6% series	25	26	27	26¼	28	26½	28¼	26½	27½	26¾	28	26⅜	27¼	27	28¼	26⅝	28	26½	26¾	26	28¼	26⅞	28¼	26⅛	28½
Preference 5½% series	25	23¼	24⅜	24¼	25⅛	24¾	26½	24¾	26⅜	25¾	26½	25	26⅜	25	26	25½	26½	24½	25¼	25	25½	24½	25½	25	27½
American Zinc Lead & Smelting Co	1	10⅜	12⅜	11	12⅜	11	12¼	10¾	12	11	11¾	10¼	13⅜	11⅜	13⅞	13	14½	13⅛	15¾	14⅜	17	15	17½	14⅛	15⅝
Amphenol Electronics Corp	1	22⅜	25½	23⅝	26½	23⅝	26⅛	23½	25½	24⅞	27⅞	25	26⅞	25	28⅜	26⅝	29⅜	26¼	28⅞	27	32⅜	29⅛	36⅞	34¼	37½
Anaconda Company	50	40	44⅜	40	45⅞	40⅛	48	42⅜	46⅛	42⅝	46⅜	44½	48½	43⅞	50½	49¼	53⅞	50	56⅝	54⅝	63¾	57	62¼	55⅝	61⅞
Anaconda Wire & Cable	*	47½	52	50¼	53	49	57	47¼	52¼	49	52	46½	55	47¼	55	51½	55¼	52	55½	53¼	61½	53½	57¼	51½	55
Anchor Hocking Glass Corp	6.25	41	45½	43½	47	45	48¾	47½	52	49½	54	48¾	53	50⅛	53¼	50½	56	53½	57½	52⅝	64	61¾	69	68¼	80¾
Common when issued		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	39	39
$4 preferred	*	88	93¾	96	96¼	95½	98½	97	99½	100	100	--	--	98	99	98	98	93	93	88	93	89	90	89	90
Anderson Clayton & Co	21.80	33	36¼	34	35½	33½	35	33½	37½	34½	36½	35¼	37	35	38⅜	36⅝	38⅞	36	38¼	35½	38⅜	36¼	41½	37¼	40¼
Anderson Prichard Oil Corp	10	22	25½	22⅛	25¼	23⅜	26¼	23⅞	26¾	26	29¼	27⅞	30¾	28⅝	31¼	29⅛	32⅜	27¼	31¼	28¾	31⅜	29	31⅝	28¾	32½
Andes Copper Mining Co	14	26½	27¼	28½	30	26	28¾	25¾	26¼	26¾	27½	27½	29	28	29½	28	29½	26¼	27⅜	--	--	--	--	--	--
Archer-Daniels-Midland	*	29	34⅛	32	34¼	32	34⅜	32⅛	33⅝	31	34⅜	33¼	35⅛	33¾	35	34	35¼	34¼	39⅜	37	39½	39	42¾	41¾	44⅞
Argo Oil Corp	5	22⅛	24⅞	22	24	22	24⅞	22½	24½	24⅛	29⅝	30	34⅜	32	38⅜	36½	41¾	37	37½	36¼	39⅜	37¼	40⅞	37⅝	39⅝
Armco Steel Corp common	10	43⅛	47½	43¼	47¼	42⅞	45½	39¾	45½	44½	49½	48½	52⅜	49⅞	59½	56	58¾	57½	60⅜	58⅞	65⅛	60⅝	67	61¼	67¼
When issued		--	--	--	--	--	--	43½	43½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Armour & Co	5	12¼	13⅞	12⅛	13¾	13⅛	15⅜	13	14⅞	13½	14⅝	14¼	16⅞	16⅜	19⅜	18	19¾	18	19½	18¼	20¾	18⅞	21¾	21½	24⅝
Armstrong Cork Co	1	22⅞	24⅞	23⅜	25	24⅝	27⅜	25	27½	25¼	27⅜	24¾	27⅜	27	28⅜	28⅛	33	30	32½	30	33¾	32	35¾	34	39¼
$3.75 preferred	*	87	89	86	89½	86¾	88½	86½	89½	87	90	87	90	86	89¾	85	87	82½	84¾	82	85	80	85	82½	86
Arnold Constable Corp	5	20	22	21	21¼	18	20	16½	17½	17	17	17½	18½	17	18	16¾	20	20	22⅜	18	20½	18½	19¾	18	20½
Artloom Carpet Co Inc	1	3¾	4½	4⅛	4⅞	4⅛	4⅞	4⅝	7½	7⅛	8⅜	8	11⅝	11	12½	12⅛	22½	10	27⅝	9⅛	14¾	11½	14⅛	13	15⅞
Arvin Industries Inc	2.50	29	29⅞	26	29½	26⅛	28¼	25⅛	27	23⅝	25¼	23⅝	24½	24	25½	25⅛	27	25⅜	27¾	26⅝	29½	25⅝	27⅜	26¼	29¼
Ashland Oil & Refining Co com	1	15⅛	16⅝	15	16⅛	15	16⅛	15½	16⅜	15½	16¼	15⅞	17⅞	17	18¾	17¼	18¾	17⅜	18	16¾	17⅞	16¾	18¼	17⅞	19¼
2nd preferred $1.50 series	*	27½	28⅛	27⅜	28⅜	27⅜	29⅛	28⅛	29¼	28⅞	30⅛	29⅞	30⅝	30⅛	31⅞	30⅛	31	29¾	30½	29¾	30⅝	29¾	30⅞	30¼	34¾
A S R Products Corp	5	6⅞	7½	7⅛	7⅞	7⅛	8⅝	8	8⅜	8¼	9½	8⅛	9⅛	8¼	10¼	9¾	10¾	9⅛	10⅜	9	10¾	9½	10¼	9⅝	10⅜
Associated Dry Goods Corp	1	29	32⅛	29½	32⅞	29¼	32¼	31¼	34¾	32½	34½	32½	34⅝	34¼	36¾	34¾	37	36	40¾	39	42⅞	41¾	46¼	44½	46¼
5.25% 1st preferred	100	94½	100	98¾	102	98½	102½	99	104¼	101	105	101¼	104½	102	104½	100	103	100	102½	102	105	101½	103½	101¾	104¾
Associates Investment Co	10	67	73	72½	77½	74	76	70	74¾	71	73¾	73	75¾	74	78¼	78½	86½	81	85	79½	81¾	81	90½	86	96
Atchison Topeka & Santa Fe Ry Co	10	17⅛	19¾	18	19⅞	17¾	18⅞	17⅝	20⅛	19⅝	21⅝	20¾	22¾	21¾	24¼	22¼	23⅞	23⅝	25¾	24⅛	25⅝	24⅝	28⅛	26½	28¼
5% non-cumulative preferred	10	9⅛	9⅞	9¼	9⅞	9¼	9⅝	9¼	9⅝	9⅜	9¾	9⅜	10	9½	10	9½	9⅞	9½	9¾	9⅜	9⅞	9⅜	10	9⅝	10⅝
Atlantic City Electric Co	6.50	29¼	31⅛	30⅝	34	31¾	33⅝	32¾	33⅞	33¾	36½	35¾	37	35⅝	38½	35¾	38¼	34⅞	37¼	35¼	38	37½	41⅜	38⅛	41
4% preferred	100	86⅛	91	89¼	92	89	92	87	88½	89¼	90½	88	90½	89	92	90¼	92	90¼	92	89¼	90	89⅛	90	89	91½
Atlantic Coast Line RR Co	*	27⅜	32½	29½	31⅞	30	32½	28¼	32½	31¼	33½	31⅛	33½	32½	36¾	34¾	37⅝	37	49¼	44⅛	47½	46½	50⅞	49½	53⅛
Atlantic Refining Co	10	37¾	40¼	34	38⅜	34⅛	38¾	34⅝	38⅞	34¾	36¼	35¾	39⅜	37	42¾	38	43⅞	37⅛	39⅝	38¼	43¼	41⅛	45¾	42½	45⅛
Preferred $3.75 series B	100	86	90	88	89½	86	89	87	90	87¾	89½	87	89¼	83	88	80	85¾	79	84	78¼	85	79¾	84	81	83½
Atlas Corp	1	6⅝	8	7	8⅛	7⅛	7½	7⅛	8	7⅜	7⅞	7¼	7¾	7	7⅜	7¼	8¾	7¼	8	7¼	8⅝	7	7¾	7⅛	8⅜
When issued		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	7½	7½	--	--	--	--
5% preferred	20	14¼	15⅞	14¾	16	14¾	15½	15	16¼	15⅞	16¼	16	16⅛	15⅞	16⅜	16½	17½	15⅝	16⅞	15¾	16½	15⅞	16½	16¼	16⅝
Atlas Powder Co	20	59	65¼	61½	64	62	64¼	61¼	65½	62½	65	57	64⅛	57	64⅜	64½	69¼	67¾	72½	63	70½	62¾	70½	68	71⅞
Austin Nichols & Co Inc	*	7⅝	8⅜	8	9½	9	10	9⅜	9¾	9⅜	11	10⅜	12¾	10¼	13¼	11	12½	11⅛	15	12½	14½	13	19⅜	17⅜	25¾
Cum conv prior preferred ($1.20)	*	16⅜	16⅜	16⅝	16⅝	16⅞	17⅜	17¼	17¾	17⅞	18½	18	18½	18⅛	18¾	19	19	18⅞	19¼	19	19¼	19¼	21½	21	28⅜
Automatic Canteen Co of America	5	30⅞	36½	35⅝	39¼	35½	38⅜	36¾	39⅛	39⅛	47½	44⅜	46¾	42¾	48⅞	47½	48	--	--	--	--	--	--	--	--
When issued	2.50	--	--	--	--	--	--	--	--	--	--	--	--	23¼	24¾	22¾	29¼	26⅜	29⅜	24¾	26⅞	25	26⅞	25¾	29½
Avco Manufacturing Corp	3	5⅝	7¼	6	7	6	6½	5⅞	6¾	6¼	6⅞	6½	7½	7	7¾	7⅜	8¾	7⅞	9⅜	8¼	10	8⅞	9¾	9⅝	13⅞
$2.25 convertible preferred	*	43⅜	47⅛	43⅛	45⅝	43	44½	43	45½	44¼	46	45⅝	49⅞	46⅝	50	49	53⅞	49	56¾	50¾	60⅜	53½	58½	59¾	82

NOTE. All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

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STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Babbitt (B T) Inc	1	3⅜	4	3⅞	4¼	4	5¼	4¾	6¼	5⅞	8¾	8⅛	9¼	7¾	9⅜	8⅛	9⅛	8¾	10⅛	8⅛	9½	8½	10⅝	9	10½
Babcock & Wilcox Co (The)	9	31⅛	34	30	33	28½	32	26⅜	28½	26¼	28⅝	26	28⅞	26½	31⅛	29⅛	31¼	29⅞	32½	30	32¼	30⅝	33⅜	30¼	33¼
Baldwin-Lima-Hamilton Corp	13	9¼	11¼	10⅛	11¼	10¾	11⅝	10⅞	11¾	11⅜	12⅛	11¼	13⅝	12	13⅝	12⅝	13¾	12¾	14⅛	12⅞	14¾	13	15	13¼	14⅝
Baltimore Gas & Electric Co	*	34⅞	37⅜	36⅝	39¼	37½	39½	37⅝	39⅞	37¾	39⅞	39	41¼	40	41⅛	39½	41⅛	39¼	41⅜	40¾	44	41¾	45	42¾	44¼
4½% preferred series B	100	97½	104	102¾	105	101	103¾	99¼	104	100½	104	100½	104½	103	105½	98	103	95	97½	96¼	100	98	100	95½	99
4% preferred series C	100	90½	94	93	95	90	94½	91	94	91	92½	90	92½	90	92¾	90	91½	87	90	86	89½	86	88	85	87
Baltimore & Ohio RR Co	100	23⅜	26¾	23½	27½	24	26½	22⅝	27½	27	29¾	29	31¾	29⅞	37½	34⅞	38⅜	37¾	44½	40	45¼	39½	45⅛	41½	44¾
4% non-cumulative preferred	100	47	52½	49	53¼	47½	49¾	45½	52	51½	53	52⅛	57¾	55¾	59⅜	58¾	61¼	58¾	60¾	57¾	60	59½	63¼	60¾	63¼
Bangor & Aroostook RR Co	1	29¼	31½	30¼	31⅝	30	31½	31	33¾	33	34	33⅞	36½	34¾	37⅜	36½	38⅝	37	40½	37½	48	42	46½	37¼	42½
Barber Oil Corp	10	51½	54¾	49¼	53⅞	50	53¾	51	53¾	48¾	53	50¼	58	53	60¼	57¾	61½	60¾	63¼	59½	63¾	55⅝	61¼	55¼	62
Barker Bros Corp	5	8½	9¼	8¾	9⅜	8¾	9⅛	—	—	—	—	—	—	—	—										
Basic Products Corp	1	16⅞	18	17⅛	20¾	19¾	23⅜	21	29⅜	26¼	30⅜	24¾	28¼	24	26⅝	23¾	26⅛	24½	26¾	23⅜	25⅞	23½	25¾	23½	24¾
Bath Iron Works Corp	10	47	57½	51	57⅜	47	54½	45¼	51¼	48½	52¼	47¼	50¾	47	51⅝	50⅛	54	51¾	55¼	49½	52⅞	51¼	56¼	52	58
Bausch & Lomb Optical Co	10	—	—	—	—	23	27	23	25½	23⅛	25¾	24¾	26⅝	23½	25¾	24	26¾	23⅝	25¼	23⅞	25⅞	24¼	31	28⅛	36
Bayuk Cigars Inc	*	16¾	17¾	17⅜	19⅛	18⅜	20⅛	18¾	20	19⅛	20⅜	19¼	20⅝	19	22⅞	21⅜	24⅝	22⅝	24½	24¼	26½	25¾	28⅝	28⅜	31
Beatrice Foods Co	12.50	33½	36	35	37⅜	36⅝	39¼	38⅛	39⅞	38¾	44⅜	41	44	42¼	44⅜	43½	45¼	45	47⅜	43¼	46½	43½	45¾	43⅜	45¾
3⅜% convertible prior preferred	100	127	128	137	137	141	141	148	148	—	—	165	166	161	165	165	174	173	173	—	—	170	170	—	—
4½% preferred	100	93	98¼	100	103¼	99⅞	102	97¾	100½	99½	103¾	102	104	100¾	103½	96½	103	95¼	97½	95	97	97	99	95½	99
Beaunit Mills Inc	2.50	10½	14	11⅝	13¾	11¼	12¾	12⅛	13¾	12⅜	13½	12⅞	15½	13	14⅝	13⅝	15¼	14	17¾	16	19¾	18⅝	19⅞	18¾	20
Beckman Industries Inc	1	23⅞	25¾	20¼	24¼	20¼	24⅞	19	22¼	18⅛	20⅞	18⅝	21¾	19½	22¼	21½	26⅛	23¾	26¾	23½	37½	33½	39⅛	34⅜	40¼
Beck (A S) Shoe Corp 4¾% pfd	100	73½	78	74	77½	78	79	—	—	80½	83	81	82½	82	82	81¼	81¼	79	81	81	82	79	79	79½	83
Beech Aircraft Corp	1	18	20⅜	18¼	20⅞	18¼	20⅝	20⅛	24⅝	24	29½	26½	28¼	25½	28⅜	26½	28	26¾	28⅜	27¾	30¾	28⅜	30⅜	28	29¼
Beech Creek RR Co (gtd)	50	33	33¼	32½	33½	31¾	32	30	33	29	31½	29½	34	29¾	31¾	30½	33½	32¾	36	34¾	36½	35½	36	36	36½
Beech-Nut Life Savers Corp	10	28½	31⅞	29⅞	33⅛	33½	35⅛	33¾	37	34¼	37⅝	35	36¾	36	39	37⅛	39½	36¼	39¾	35¼	39¼	35½	39	35½	44
Belding-Heminway Co Inc (Del)	1	10¼	11⅝	11⅜	11¾	11	11½	11	11¼	11	11⅝	11⅝	12¼	12	12⅜	11⅞	13	12⅜	13¼	12⅝	13⅜	12½	13½	12¾	13⅞
Bell Aircraft Corp	1	15⅛	18¼	14⅞	17⅛	15½	17⅜	16	18⅜	17½	19¼	17½	19⅛	16¾	18½	17⅝	23¾	19	23	19⅝	22⅛	19⅝	21⅜	19⅛	21½
Bell & Howell Co	10	42	47¼	43½	48⅜	46	58	53	59¼	58¾	65⅜	57½	64½	60½	70	67½	71½	68	79¾	74½	83	78½	94⅞	82½	92½
4¼% preferred	100	—	—	—	—	90	90	91	91	91	91	91	91	91	91	—	—	92½	93	93	93	92½	93	92½	92½
Bendix Aviation Corp	5	44⅜	53	47⅜	49⅞	47½	49⅜	44½	47¾	46⅜	51¾	51	55⅜	53¾	58⅞	56⅞	59¾	56	61⅜	55	62¾	61½	66¼	63¼	74½
Beneficial Finance Co	1	18⅛	21½	20½	21¼	20¾	23¼	21⅛	23⅛	22⅝	25⅜	23⅛	25	23½	24⅜	23⅛	24⅝	22⅞	24½	23¼	24	23½	25	24¼	27¼
5% preferred	50	45	47	46	47¾	46	49½	48	50	49¼	50	49	50¼	49½	50¾	49¼	50½	47¼	50	47½	49	47⅞	49¼	47½	50¾
Benguet Consolidated Inc	1 peso	15/16	1⅛	1	1¼	1	1¼	1	1¼	1	1¼	1	1¼	1	1¼	1	1¼	1⅛	1¼	1⅛	1¾	1¼	1¾	1¼	1¾
Best & Co Inc	1	28½	31½	30¼	31⅛	29½	30¾	30	33¾	31⅛	32⅞	31⅜	33⅞	33½	34⅞	33½	34½	33⅝	35½	34⅛	36	34½	36	35⅛	36½
Best Foods Inc (The)	1	45½	50¼	48	51	50¾	54½	51¼	55¾	54¼	59	57¾	62	59	69¾	68¼	71⅛	70	75¼	—	—	—	—	—	—
Bestwall Gypsum Co	1	33⅝	40⅜	38⅛	41¼	39½	45¾	41	47⅞	46⅜	50¾	48½	54¾	53⅝	61¾	60½	64½	62¼	66⅜	65⅝	73½	72	79¾	72⅝	78½
Bethlehem Steel Corp (Del)	8	36⅜	40	38⅛	41¼	38¾	40¾	36⅝	39⅞	39⅛	42⅜	40¼	43	41¼	47⅛	44½	46⅞	45⅝	49¼	48⅜	54⅞	47¼	52⅞	48	52½
7% preferred	100	149½	156¾	151	154½	150¼	151½	150⅜	156½	152½	155½	153¾	159½	152	158½	148	153½	144½	149	143	147¼	144½	149	145½	149
Bigelow Sanford Carpet Co Inc	5	6⅞	9½	7⅞	9	8⅛	8¾	7¾	10	8¼	9⅝	8⅝	10½	9⅛	10	9½	11⅛	10¾	12⅛	10⅜	11¾	10¾	14⅝	13¼	15⅜
4½% preferred series of 1951	100	56	60	59⅝	63½	62	63	62	63½	62¼	64	61⅜	64⅞	63¾	66½	64	65	64½	69	67¾	68¾	68	71¼	70½	76
Black & Decker Mfg Co	1	36	40¾	36½	40	36½	39¾	36¾	40⅞	40	45	43¼	46⅜	42	47	47½	51¾	48½	51½	50¼	59¾	54	58⅞	57	59⅞
Blaw-Knox Co	10	23½	26	23⅝	26⅜	25	28⅜	25⅝	27½	25⅞	27⅞	27	29¼	27½	34¼	31⅜	33⅞	32⅜	35¼	33¾	37⅛	32	36½	33¾	36¾
Bliss & Laughlin Inc	2.50	19¼	23¼	21¼	23	20¼	23	19¾	21	18⅜	21⅞	18⅜	19¾	18	22⅜	20¼	22⅜	20¾	23½	22½	24⅜	22¼	24	23⅝	26½
Bliss (E W) Co	1	12⅞	15¼	14⅛	15¼	14⅜	15⅞	14½	15⅝	13¾	15⅝	13½	15½	13⅞	18⅝	16⅝	18¼	17	18⅝	16½	18¼	16⅛	17⅜	16⅝	18⅜
Boeing Airplane Co	5	37⅛	41⅞	34⅛	40⅛	36⅛	39	36½	41⅛	39⅝	42⅜	40⅝	44⅝	43¼	47¾	43⅜	47⅝	43⅞	48⅛	45	58⅛	48¼	57⅛	45	50½
Rights		—	—	—	—	—	—	—	—	—	—	—	—	19/64	31/64	—	—	—	—	—	—	—	—	—	—
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	48½	49½
Bohn Aluminum & Brass Corp	5	14⅜	18¼	18⅛	18⅝	17¾	18½	15⅝	17⅝	15⅜	18¼	16⅜	17¼	16⅞	19½	18¼	20⅞	18¾	20½	19⅜	22½	19¼	20⅞	20¼	22
Bon Ami Co (The) common A	*	20	22½	19	21	15¾	18½	12¾	17½	10	14⅞	9½	13¼	—	—	—	—	—	—	—	—	—	—	—	—
Common B	*	12¼	13	12	12⅝	11	12¼	9½	11½	8⅞	10¼	8¼	9½	—	—	—	—	—	—	—	—	—	—	—	—
Bond Stores Inc	1	14⅜	15¼	15⅛	16	15⅜	16⅛	15¾	16⅛	16¼	17⅞	16⅝	17¼	17	17¾	17⅜	19⅝	18⅝	21⅞	20¾	22	20⅝	21⅞	20½	21⅜
Book-of-the-Month Club Inc	1.25	10⅛	11⅝	11	12⅛	11	12	11¼	11⅞	11⅛	11¾	11	11⅝	10⅞	11⅜	11¼	12	11½	12⅛	11⅝	15⅛	14	15⅞	15⅜	19
Borden Co (The)	15	60¾	64¾	61	63¾	62¾	67¾	64½	68	66	68	66	68½	68¼	72	70	72¼	71	74½	73¼	74⅛	73	78	74	76¾
Borg-Warner Corp	5	27⅞	30¼	27⅛	29	27⅛	28⅞	25⅝	28⅝	26⅛	28¼	27¾	31⅛	29¾	34	32⅛	34⅝	32⅝	38⅛	33	37⅝	33¾	37⅛	35⅛	39⅛
3½% preferred	100	82	85	81	81	79⅛	83½	78	83	78	80	79½	79½	78	82	78	81	74½	76½	74½	78	74½	76	74¾	77½
Boston Edison Co	25	48⅛	50⅝	49½	50¾	50¾	52⅜	51¼	54¼	52⅛	55	53½	56½	54⅝	57¼	53¼	55⅝	52¾	55	53¾	57½	56	58¾	56⅛	60¼
Boston & Maine RR com	*	7⅞	9	8½	9¾	8½	9	7⅞	9¾	8¾	10¾	10¼	13⅝	12⅛	13¼	11¾	12½	12	15	14½	17¾	15⅛	17⅛	13¼	15⅛
5% preferred	100	20¼	22⅞	22	25	19¼	21½	18½	24⅜	19⅞	22¾	22½	25⅞	22⅞	24½	21¼	24	21¾	29¼	26¾	32⅝	26½	30	23¾	27⅝
Braniff Airways Inc	2.50	6⅞	9½	8¾	9⅝	8⅞	9¾	8⅜	9¼	8⅞	10⅛	9⅝	10¾	9⅝	10¼	10	10⅝	10	11¼	10¾	11⅞	10¾	11½	10⅞	12⅜
Bridgeport Brass Co	5	30	35⅞	33⅝	36	32⅛	36	30⅜	32¾	27¾	30¾	28	29¾	27⅞	31¾	31½	34¾	32⅜	34¾	33¼	36⅞	33½	36	33¼	36¾
4½% convertible preferred	50	38¾	47	46	48	46¼	48½	42½	47	42½	46¾	45¾	47¾	46¼	48	44½	48¾	44	45¾	44	45¾	44½	46⅝	43¾	46½
Briggs Manufacturing	3.50	5¼	8¼	7	8	6⅞	7⅜	6⅜	7¼	7	7⅜	6⅞	7¼	7	8½	7⅝	8¼	7¾	9¼	8⅛	9⅛	8⅛	9⅛	8⅛	8⅞
Briggs & Stratton Corp	3	26⅜	30⅞	27⅞	30⅞	29	31⅝	29⅞	33⅛	32⅞	35⅞	33⅜	35	33½	37¼	36¾	39⅜	37¾	41⅝	37¾	40¾	38⅝	44½	39½	43
Bristol-Myers Co	2.50	53⅛	57½	54⅛	57½	55½	62¾	58	61¼	60	65¾	63¾	66½	64⅛	71¼	64½	70½	67½	72	69½	77	72⅝	77¾	70⅞	78
3¾% preferred	100	87	89½	91½	91¾	92	92	91¼	92	90	92	90	91	88	90	—	—	87	89	82	84	82½	83	83	84
Brooklyn Union Gas	*	34⅝	36¼	35¾	39	38	40¾	39⅜	44	42½	43⅞	42⅝	46½	44⅜	46½	45	48	46	49¼	47	48⅜	47⅜	49⅜	48	49¾
Brown & Bigelow	1	11¼	13¼	12⅜	13	12⅜	12¾	12⅜	14¼	13⅝	14¼	13¾	14⅛	14⅛	15	14⅝	15⅛	14⅝	15⅛	14¾	15⅜	15⅜	16⅞	15¾	17⅛
Brown Shoe Co Inc	15	42½	45	44¾	49¾	48⅛	50⅜	48½	50½	50	52⅜	50½	54¾	54	56	55	56¼	53	54⅞	52⅛	54¾	54⅛	56	54¾	60
Brunswick-Balke-Collender Co	*	32⅛	37½	33⅞	37⅝	36⅜	43⅛	37⅜	41⅞	37¼	40½	37	44⅝	41½	44¾	42	48⅜	44½	55¾	53¼	77⅝	66¾	75½	—	—
Rights		—	—	—	—	—	—	9/16	27/32	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New	*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	50½	53¾	46¾	53¼
Buckeye Pipe Line Co	*	22½	24	22⅞	24½	23⅝	24¾	23½	24½	24¼	26½	25⅝	27¼	26⅛	27½	26⅜	26⅞	26¼	27¼	26½	29	27¼	29	27½	30
Bucyrus-Erie Co	5	25½	31½	28¾	31⅞	25⅝	29⅜	25½	27⅝	25½	26⅞	25	27	25	33	29⅛	32½	28¼	31⅝	29	33¼	26½	31⅜	26½	30⅛
Budd Company (The)	5	13⅜	16⅛	14	15⅞	14	15⅛	13½	14⅞	13¾	14⅝	13⅞	15	14½	16¼	15½	16¾	15¾	17⅜	15½	17¼	16⅞	18⅜	17	20⅜
$5 preferred	*	81¾	82¾	80¾	82¼	79½	80¼	79	80	78¾	80	78½	81	81¼	82¾	81¾	84⅛	84	84½	86	90	87½	89⅜	88¾	90
Buffalo Forge Co	1	27	29¼	27½	29¼	28½	29⅞	29⅛	29⅞	29⅜	31	29⅜	30	29⅝	30¼	30	32	30¼	32½	31¼	32	31⅛	33⅛	30¾	33¼
Bullard Co	10	10	14¼	12½	14⅞	13	15¾	13⅛	15	13⅛	14⅛	13	14⅝	13⅛	17¼	15⅜	17¼	15⅛	18½	15⅜	18⅛	14⅝	17⅜	14⅞	16⅝
Bulova Watch Co Inc	5	10⅜	12⅝	9¾	11⅞	9¾	10½	10	12⅜	10½	11⅞	11⅛	12	11⅛	12⅝	11⅞	14	12⅛	13⅜	12⅜	13⅝	12½	16	13⅜	16¾
Burlington Industries Inc	1	9½	11⅝	10⅞	11½	10⅞	11¼	11⅛	12¼	11⅝	12½	11⅞	12⅜	11½	13	11¾	12⅞	11⅞	14⅜	13⅜	15¾	13⅞	15¼	13⅝	14¾
4% preferred	100	64½	67	63	67½	64½	68	66¾	70	68	69¾	67½	68½	68	70	66	69	67½	69	67½	69½	66½	68¼	67	69
3½% preferred	100	—	—	56½	56½	56	56	58	59	58¼	59	—	—	59	60	—	—	—	—	60	60	—	—	62½	62½
4½% 2nd preference	100	64¾	69⅞	65¾	68	67	70	70½	74	70	76	70½	72	72	75	75	76	75	77	76	78¼	76⅜	77½	76	77¼
Burroughs Corp	5	28⅞	31⅞	30⅛	32¼	29	32⅛	27⅝	30⅜	29	32¾	31⅝	36⅞	31½	35¾	34⅝	37¾	35½	38¾	36¾	40½	34⅜	39⅜	35⅞	43⅜
Rights		—	—	—	—	—	—	—	—	—	—	—	—	11/32	¾	—	—	—	—	—	—	—	—	—	—
Bush Terminal Co	1	17½	18	17	17⅞	16½	17	16½	17½	16¾	17½	17	17⅜	16¾	27⅛	23½	25	23½	26	24⅝	27½	24	26½	24⅞	28½
Butler Brothers	15	22¼	25	23⅞	24¾	24	26¼	25¼	26	25⅝	26⅞	26⅜	29	27⅝	29½	28¾	30⅞	30⅝	34½	32¾	37⅞	34⅝	40½	35½	39½
Butte Copper & Zinc Co	5	3⅞	4⅝	4¾	5⅞	4⅞	5⅝	4⅞	5⅜	4⅝	5⅜	5	5⅞	5⅛	6⅜	5½	6½	5⅝	6⅞	6¼	8½	6⅜	7	5¾	6½
Byers (A M) Co	10	20	23¾	23	23½	22½	23¾	20	23	22½	24	23¾	25	23½	30	27¼	29½	27½	33½	29¼	31	28	30¾	29½	39¾
7% participating preferred	100	98	98½	98½	99	99	100	100	100¼	100	101	98½	101	99	101	102	104½	105	106½	106	107½	107	107½	107¼	108½

C

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
California Packing	5	39¼	41½	39¼	41½	39½	43¾	43½	45¾	42½	46	44½	48¾	46¼	49¾	45⅞	47¾	46⅜	54¾	48⅛	55	48⅛	50⅞	48¼	50¾
Callahan Mining Corp	1	3½	4⅝	3¾	4⅝	3⅝	4¼	3¾	4¼	3¾	4⅛	3¾	5	4	5¼	4¼	5⅛	4½	5⅛	4½	6¾	6	7¼	6¼	7⅜
Calumet & Hecla	5	9¼	10¼	10¼	11⅜	10⅞	12⅜	10¾	11½	11¼	14	13½	14	12⅞	15	13⅝	15	14⅛	15⅜	14⅜	18½	17½	20½	17¾	20¼
Campbell Red Lake Mines Ltd (Can)	1	5⅛	6½	6⅛	8⅛	7⅛	7⅞	7⅞	9	8½	9⅜	8	9	7¼	9	8⅝	9⅛	8	9	7⅞	8¾	8	9½	9	12⅜
Campbell Soup Co	1.80	35½	38¾	37⅜	38½	37⅝	39⅞	38⅜	40⅛	40	41¾	41⅛	42¾	42¼	43⅝	41¾	43½	42⅜	46	45⅜	48¼	45½	50¾	46¼	49½
Canada Dry Corp	1.66⅔	14½	16⅝	16⅜	17	16⅞	18½	17⅜	18⅜	17¾	18¼	17¾	18⅜	17¾	18⅜	17¾	19½	18	18⅝	17⅞	18⅜	18⅛	20⅜	19	20⅝
Common rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	½	11/16	⅜	9/16	—	—	—	—	—	—
$4.25 convertible preferred	*	81	85	84	89	85	86½	86	87	89	90	88	89¼	84	88	82	84⅞	82	83⅛	81¼	82½	82	83¾	82¾	85
Canada Southern Ry Co	100	49⅛	50⅛	49¾	50	49	50	47½	49½	46	49	47½	49	48	50	48½	49¾	45½	47	45	46½	45½	50	46½	48¼
Canadian Breweries Ltd	*	26⅛	27½	27⅞	28⅞	27⅜	29	28¼	28⅜	30	31⅜	31¾	33⅝	32¾	34¾	34	34⅝	33¾	35⅜	35¼	36¾	36⅜	37½	34	37
Canadian Pacific Ry Co	25	21⅜	25⅝	23½	25¼	23¾	25⅜	24⅛	25⅛	24¾	26⅞	26⅜	28¾	27	29	27¾	29⅜	27⅞	31⅜	28⅜	30⅝	29	31¼	28¾	30⅜
Cannon Mills Co	*	47½	50	48¼	49½	48	51½	50¼	52¾	53¼	54¾	53½	54¾	54¼	55½	54¾	59½	59	65	59	64¾	59¼	61	60½	66
Capital Airlines Inc	1	10⅜	16⅝	15½	18¼	15⅛	17⅜	14⅛	16¼	13⅞	15⅞	15	16¾	14¾	16⅝	15⅝	17⅞	16	17⅝	15¼	17⅜	16	17¼	16½	19⅞
Carborundum Co (The)	5	32½	35⅞	32¾	35¾	32⅜	35⅜	30⅞	33⅜	31½	33¼	32⅜	35⅞	32	36¾	34¼	37¼	34⅛	37⅜	35½	39⅝	35¼	39⅛	37¼	41¾
Carey (Philip) Mfg Co	10	24	26⅞	25⅛	28¾	25½	28⅝	25⅜	28½	25½	28⅜	25¼	26¾	25½	28⅞	28	29⅝	27½	30⅜	28½	36	34	39¼	37½	46¼
Carolina Clinchfield & Ohio Ry	100	96	100	98	100	97	99½	94½	99¼	98½	100¼	99	102½	100	103	99½	101¾	97¼	99½	98⅛	99½	97	99	98	102
Carolina Power & Light Co	*	25¼	26⅞	26¾	28	27⅝	30⅛	28¼	30¼	28¼	30⅛	30	31⅞	31½	33½	31	33¼	31¼	33½	31⅞	34¾	34½	37	34½	38¾
Carpenter Steel Co	5	39½	44½	41⅛	44¼	42	48¾	42	47	44¾	51½	49	50⅜	47½	58	55	58¼	57½	63	58	63½	60¼	70½	69½	76½

NOTE: All stock footnotes shown on page 17.

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STOCKS	Par	January		February		March		April		May		June		July		August		September		October		November		December	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Carrier Corporation	10	32⅝	39½	34¾	38⅞	34⅝	38⅜	36¼	39¼	38	42⅛	40	42⅜	38½	43½	38½	41	39⅛	42⅜	39⅛	41⅞	39⅜	46¼	42¼	45¾
4½% preferred	50	38½	42	41	42½	40¼	43	40¼	42	40⅛	41¼	40½	46	43½	47	42¼	46¼	42	44	42½	44	42¼	44½	42½	44¾
Carriers & General Corp	1	20⅞	22½	21¾	22¼	21¾	22¼	22¼	23⅛	22¼	23	23	24½	24	25⅜	25⅜	27½	26¼	27½	27⅜	29½	29	31½	28¼	31
Carter Products Inc	1	19⅛	23	22½	27⅜	25	30	26⅛	28⅝	26¾	30⅝	27¾	30½	27	29⅜	26½	30	29⅛	34¾	31¼	34⅛	31½	38¾	35¾	43⅞
Case (J I) Co	12.50	15⅜	16⅞	14½	16⅝	14⅜	15⅞	14¼	17½	17⅝	20⅝	18½	20	18⅛	21¼	20⅛	23½	19⅝	22⅝	19½	22	19¾	22¼	19⅝	22
Rights common		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	⅝	27/32	—	—	—	—
7% preferred	100	101½	107	102	106¾	101½	105	102	109	109½	117	115	119¾	112½	116	112½	117	110	115	109	111½	109¼	110½	109	112
6½% 2nd preferred	7	5¼	6¼	5⅝	6¼	5¾	6	5¾	6⅜	6	6½	6¼	6½	6½	6⅞	6½	7	6⅜	6¾	6⅜	6¾	6⅜	6¾	6⅜	6¾
Caterpillar Tractor Co	10	58½	68½	58½	68	59¼	62	55⅛	60⅞	58¾	61¾	61	67¾	62¾	76½	75	80⅛	77	82	79½	90¼	86	92⅞	85	90⅞
4.20% preferred	100	97½	99	97	98	97½	97½	97¼	101	99	101	98	99¼	94½	97	91	95½	92½	95½	91¾	95¼	93½	96	95½	98
Celanese Corp of America	*	12	14⅛	13	14⅛	13⅜	15⅞	15	16⅜	15¾	17⅜	16⅛	17¾	15⅜	18¼	17½	18⅝	18	23⅜	20⅞	26½	24⅛	28⅜	25¾	30¾
7% 2nd preferred	100	99	104	—	—	101	105¾	104¾	107¼	107½	109½	108½	113½	110	114	111¾	117	113¾	116	110½	116	116	118½	115⅛	117
4½% conv preferred series A	100	55½	65	62	63½	63	65¼	64½	68¼	66¼	69½	68½	69⅝	66	69¼	68¼	72¼	70¼	74¾	73⅛	77½	76¾	79¼	77½	81½
Celotex Corp	1	29⅜	31⅞	26⅜	33¼	27¼	31½	26¾	30⅝	28¾	30	27	31¼	30⅛	32⅜	31⅛	33¾	33¼	35⅜	31⅛	34¾	31	35⅜	35⅜	38⅞
5% preferred	20	17½	18½	18	18½	17⅞	18⅜	17⅝	19	18⅜	19⅛	19⅛	19⅞	18¼	19½	17⅞	18	17¾	18⅜	18	18¼	17½	18⅜	17⅞	18¾
Central Aguirre Sugar Co	5	17½	19	19	19¼	19	19¼	18⅝	19¼	19¼	20	19½	20½	17¾	19¾	19	19⅝	19¼	20¼	19¾	21¼	19⅞	22¼	21¾	22½
Central Foundry Co	1	9¼	10⅞	9¾	10⅞	9¼	10⅛	9¼	10⅜	9¼	9¾	9⅛	9¾	9¼	10½	10¼	11½	10⅜	11¼	10¾	12⅜	11⅛	12⅜	11½	14
Central of Georgia Ry Co	*	44	47½	45⅝	49¼	46	48½	46	48	46	46½	46½	47	47¼	50¼	49⅜	50¾	47⅝	50⅛	47	52	44	50¼	45½	47¼
5% preferred series B	100	74	74½	74¼	75½	72¾	73½	73½	75	75¼	76	75	76	76¼	77	77	78	76½	76½	75	76	73	77	73¼	75
Central Hudson Gas & Elec Corp	*	15	16⅛	15¼	16	15½	16½	15⅞	16½	16⅛	17½	16¾	17½	16⅛	17½	16⅜	17⅜	17	17¾	17	18⅜	17¼	18½	17¾	19¾
Central Illinois Light Co	*	49½	54	52½	55	54	57⅛	55	56¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4½% preferred	100	101	103	99	101	99	103	100½	103	100¼	104	100	104½	100	104	96	101	93	99	94¼	98	93	98	94¼	100
Central Illinois Public Service	10	31⅝	33⅞	32½	33⅜	32⅝	34¼	33⅝	35¼	34⅞	36	35¼	36½	35	37⅞	33½	37¾	33⅞	36¼	36	38	38	40¾	40¾	42¾
New	*	—	—	—	—	—	—	28	29¾	28⅛	29⅝	28⅛	29½	29¼	31	28½	31½	28½	30¼	28½	30	29⅝	32¾	32	33¾
Central RR of New Jersey	50	18	19⅝	18	19½	17⅜	19¼	17⅝	21¾	20	22	21¼	25⅛	22½	26½	23⅞	28	23	26⅛	24	26¾	22	25	21⅛	25
Central & South West Corp com	5	41⅛	43¼	42	45¾	43⅜	46¼	41⅝	45½	44½	48⅜	46⅞	49¼	48½	50¾	47¼	50⅛	47¼	50	49¾	55	53½	58½	55¾	60¾
Central Violeta Sugar Co	9.50	19	24¾	23⅞	25¾	21¼	25½	20	21½	20	24⅛	23¾	25	22⅝	23⅞	23½	28	25	29⅜	24	26⅜	22½	23¾	22¼	28
Century Industries Inc	*	7	8¾	8½	10⅛	9	9⅝	9⅛	11½	10½	11¼	9⅞	10⅞	9⅝	10½	9½	11	9⅜	12¼	9⅜	10¼	9⅜	10	8⅝	9½
Cerro de Pasco Corp	5	25¾	29⅜	25⅝	29⅛	24¾	32⅞	28⅜	30⅞	27¾	30⅞	29¼	32½	28⅛	34⅝	32½	37½	33¼	38⅞	38⅜	46¾	43½	48⅞	42⅛	47⅜
Certain-teed Products Corp	1	8¾	9⅝	8¾	9½	8⅞	9⅞	8⅞	9½	8⅞	10¼	9⅜	10⅝	9¾	16½	10⅜	12¼	11¼	12⅞	12⅛	13¼	12⅛	13⅝	12¾	14½
Cessna Aircraft Corp	1	23⅜	28½	27⅛	30	27⅞	30⅞	28	36⅜	34⅛	39⅜	35⅝	37⅞	36½	41¾	38¾	42¾	41½	45⅜	41⅝	53¾	43½	54	38¾	44¾
Chadbourn Gotham Inc	1	1½	2½	2	2¾	2⅛	2¾	2	2⅞	2⅜	3	2⅜	2¾	2⅝	3⅜	3⅜	4¼	3⅜	5	4⅛	5⅜	4⅝	6⅛	5⅜	6
Chain Belt Co	10	47¾	56	50	57	48½	53	50¼	52¼	49½	55⅛	53	55¾	53⅛	60¾	59½	65¼	60¼	64½	62	69½	66½	72	70¼	75
Champion Paper & Fibre Co (The)	*	34	37½	35⅝	37½	35	38	35½	38	37⅛	39¾	38¼	41¼	40⅜	42¼	41	43	40½	42½	39⅝	42⅞	39¼	42¾	37½	42½
$4.50 preferred	*	91	96	97	100	94	100	94	97½	98	100⅝	96½	99¾	96⅝	99	94½	97¼	93½	96	93½	95	93¼	97¾	96	98¼
Champion Spark Plug	1⅔	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	33¾	39¼	34⅛	36⅝
Champlin Oil & Refining Co	1	17⅜	20⅜	18⅝	20⅜	19	20⅜	18⅝	19¾	19	21⅜	21¼	24	21⅝	24⅛	22½	24¾	22⅜	23⅜	22	24⅜	21½	23¼	21¼	24
Chance Vought Aircraft Inc	1	31⅝	37¼	33⅜	38½	37¼	42⅝	38¾	42¾	40⅞	45¼	44	47⅛	44½	50⅛	46½	49⅝	44⅝	50⅝	45⅜	54	48⅞	55¾	37	51⅜
Checker Motors Corp	1.25	4¾	6⅜	5⅝	6¼	5½	6¾	5⅞	7⅜	7⅛	9⅞	8⅜	10⅞	9¼	10⅝	8¾	10	9¼	11¾	9½	21⅞	13½	19⅜	16¼	19⅜
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	1¼
Chemetron Corp	1	—	—	—	—	—	—	—	—	33⅛	35	33	34¾	33⅛	37⅛	34¼	37½	36¼	39½	33⅞	39⅛	31⅞	37	32⅞	36¼
Chemway Corp	1	7⅛	8⅛	7	7⅞	7	8⅛	7⅜	9	8⅜	9⅞	8⅛	9	8½	9⅝	8½	11¼	10⅛	12⅝	10⅜	12⅛	10¾	12⅞	11¾	14⅛
Chesapeake Corp of Virginia	5	23	26⅛	26⅛	28	26½	28	26	27¾	27	28¼	27¾	31⅜	31	32½	29½	32⅜	31	35¼	33	38	34	37½	33¼	36¼
Chesapeake & Ohio Ry Co	25	48¾	54	50⅝	54¼	48⅜	52⅛	47¾	56¼	53	55⅝	52½	55½	54¾	60½	58	63¾	59⅜	64	63½	66⅝	65	69⅛	65½	67⅛
3½% convertible preferred	100	90	92¾	89¼	91	89¼	89¼	89	92¾	91½	93	93	94	93¼	94⅞	96	96	97	99	102	105	104	109¼	104¼	105
Chicago & Eastern Illinois RR	*	10¼	12⅜	10⅞	12½	9⅝	11⅜	9¾	12⅞	11	11⅞	11½	13	11¾	13¼	12⅝	13⅜	12¾	16	13⅝	15½	13⅝	15⅞	13¼	15
Class A	40	20	23	22	23¾	17½	23⅞	18½	22	20	20⅛	21½	22	21⅞	24⅛	23	24	22¼	30	25	29¾	26¼	31	25	27½
Chicago Great Western Ry Co	50	26¾	33	29¾	33	30¼	32	31	37	35¾	38	37	39¼	37¼	43⅝	40½	43½	42¼	46⅞	43½	48	46¼	49½	43¼	47
5% preferred	50	31¾	35½	34½	36¼	35½	36¾	34½	35¾	35¼	38½	38¼	40½	38	39½	38¾	39½	39¼	40¾	40¾	43	41½	42¾	39½	42
Chic Milw St Paul & Pac com	*	11½	13⅞	12⅝	14¾	12⅝	16¼	13⅝	15⅝	14¾	15⅝	15	16⅞	15	18⅞	17½	19⅜	18⅞	22¼	21½	23½	22¼	24¾	24¼	25⅜
5% series A preferred	100	45¾	52¾	49¾	53	49½	52	49⅛	52	51½	54¾	52½	55	52	56¾	56⅝	60	58¼	60	59¾	63½	60⅝	63	62	63¼
Chic & North Western common	*	12⅜	14⅞	13¼	16¼	13⅝	15	13½	15¾	15	18¾	17	19½	18⅝	22⅝	21½	24¼	22¼	28⅝	26⅜	29¼	26⅝	32	26¾	31
5% preferred series A	100	18½	21⅛	19¾	21⅞	19⅞	21	20	23¾	23⅜	28½	26⅝	30½	28⅛	31½	30	32½	30⅜	37¼	35½	40⅜	36¾	40⅞	37¾	40⅝
Chicago Pneumatic Tool	8	19¼	21	18½	21¼	19	22½	20¼	21¾	20½	22⅞	20⅝	24⅝	23	27⅛	25⅛	27¾	25½	26⅞	25½	29½	27¼	31½	27¾	30⅞
Chicago Rock Island & Pacific	*	20¼	23½	20⅛	23⅜	19⅝	21½	19½	22⅝	22⅛	25½	24½	26¾	24	27¾	26¾	28⅛	27½	30½	27¾	29⅞	28⅛	31⅞	29⅛	31⅜
Chicago Yellow Cab Co Inc	*	14½	15	15	17	17	18	16¾	17⅝	16	20	18¼	21¾	21⅞	24	19¾	22½	20	24½	24½	37⅞	32	37	36	38
Chickasha Cotton Oil Co	5	9½	11¼	9½	10	9¾	11¼	9¾	11⅜	10½	11⅛	10½	11⅞	10¾	11¼	11½	12¾	11⅝	12¼	11⅝	15¾	12¼	13	12½	14⅜
Chile Copper Co	25	41	41¼	39	40¼	37	44¼	37⅝	38	37½	39½	38	48¾	42	45½	—	—	—	—	—	—	—	—	—	—
Chrysler Corp	25	52⅜	57⅜	50	56⅝	50⅛	54⅜	44	50⅛	44⅞	47½	45⅛	48⅞	46	52¾	50⅝	54⅝	51⅜	58¾	50¾	59⅛	51⅛	55	48⅞	53¼
Cinn Gas & Electric Co (The)	8.50	28¾	31⅛	30⅛	31⅞	29½	30¾	30¼	31⅝	31½	33¾	33	34	33	33¾	31	33⅝	30¾	33⅞	32¾	34½	33½	34½	33⅜	35¾
Common rights		—	—	—	—	1/16	7/64	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4% preferred	100	88	93¾	91	93½	88⅛	92	90½	95½	90	95¼	91¼	95	91	95¾	88	94	84	88½	83	90	87¼	89⅞	85	89½
4¾% preferred	100	—	—	—	—	—	—	104½	106¼	105	106	103¾	106	102	104	100	102½	99	100¾	99	102½	101	104½	101	104⅛
Cincinnati Milling Machine	10	27	31	30	32⅝	32	34½	32⅞	37	33¾	35¾	33½	36	33	40¼	37	39¾	37¼	42½	40⅜	44½	35	41	38¼	40⅝
CIT Financial Corp	*	44	49	47¼	50½	47½	50¼	47¼	50⅝	50	54	50¼	55½	49½	54½	53⅞	58⅜	53	57¾	54	59⅞	53¼	58½	54¼	58⅞
Cities Service Co	10	47½	51⅝	44⅜	51⅝	44⅞	51	47¾	50⅝	49¾	53⅜	53	57⅜	55½	61¾	58¾	63⅞	58⅜	61¾	58¾	61¾	56¾	61⅜	58½	63½
City Investing Co	5	10⅜	11⅝	10⅞	11⅜	10⅞	14½	13¼	14⅝	14½	16½	15½	16⅜	15¾	16½	15¾	17⅛	16½	17⅜	16	16⅞	15⅞	16⅞	15⅝	16¾
5½% preferred	100	—	—	102	102	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
City Products Corp	*	35⅛	40	38¼	40	38⅞	41⅞	40¼	42	40⅝	43	40⅝	42⅞	40¾	42¼	41½	43	42	43¾	42	43	41⅝	45¼	44⅛	45½
City Stores Co	5	15⅛	17	16	16¾	16	16⅝	16½	18	16¼	17⅜	16¼	16⅞	16⅝	17⅞	17	17⅞	17⅞	19	18½	20⅞	18¾	19⅜	18⅜	19
4¼% conv preferred	100	97½	99	98	98½	98	99	98	100	99	101	100¼	100¼	100	101	100¼	101½	99¾	100	100	100½	100	102	99	103
Clark Equipment Co	15	35¼	41⅜	37¾	41	40¼	45½	40	42⅞	41½	45¾	41¾	45	41¾	50½	48½	50¾	49¼	53	53¼	58	56	59¾	58¼	62
C C C & St Louis Ry Co	100	150	150	—	—	—	—	140	140	140	140	139	140	—	—	—	—	130	138	140	145	143	155	—	—
5% non-cumulative preferred	100	71½	74½	—	—	70	72	68	73	70	73	71	73	67	72	67	70	69	71	72	75	72	74½	76	76
Cleveland Elec Illum Co common	15	39⅛	40⅞	37⅜	41	37½	38⅜	37¾	40⅝	38⅞	40½	38¾	40⅝	40	43⅛	40½	43⅞	41	45	41	42⅞	42½	48½	45¾	55
$4.50 preferred	*	99½	104¾	101	105	101	103	102	105	104½	106¼	102⅞	106	102⅜	104¾	98½	103½	95	99½	96	100¼	97½	99¾	96¾	99
Cleveland & Pitts RR Co 7% gtd	50	60	62	61	62½	61½	62½	61¼	62	62	62½	62¼	64	62¾	64	63	64½	63	63¼	59	63	60	62	61	63
Special guar 4% betterment stk	50	35	36½	35¼	37	35	36½	35	36¾	35	35⅝	35¾	37	35½	36½	34½	35½	34¼	36	34⅜	37	35	36	35	37
Clevite Corp (The)	1	15¾	18⅛	17	18	16½	18⅜	16	17	16	17	16⅜	17⅛	16¼	18¾	18⅜	20⅞	19¾	21½	20	23⅞	21⅝	24½	23¼	25⅜
Cluett, Peabody & Co Inc	*	32	41	40⅜	42¼	40⅜	43⅜	40	45⅛	39¾	41	39	41⅞	37¼	40	40	43½	40⅝	43½	41½	44⅞	43½	48¾	46½	53
7% preferred	100	127	132	130	132	130	133	128	130	130	133	130¼	132¾	132	132	128	132	127¼	130	128	131¼	132	133	130½	134
4% 2nd preferred	100	86	86	91	91	88	93	93	94	95	97	95	95	94	95½	94½	94½	—	—	—	—	90	90	90	91
Coca-Cola Co (The)	*	98½	107¼	103½	115¼	109½	113¾	107	117½	112¼	117⅜	113¼	118½	117	120½	112½	118½	110½	117	110½	118	115½	125	118¾	132½
Coca-Cola International Corp	*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Colgate-Palmolive Co	10	48	52½	51¼	57⅞	53⅞	58⅞	56⅞	62⅜	59⅞	63¼	60⅝	62¾	62½	65¾	59¾	64⅜	61	70⅞	69½	84	78	88	82	90¾
$3.50 preferred	*	80	83	79½	82½	80	82¼	81	86	84	86½	83	85½	81½	84	80	84	78	80	77	79¼	77	78½	77½	79½
Collins & Aikman Corp	*	15¼	16½	14½	16⅜	13¾	15⅞	14½	17¼	15⅞	19⅛	16	17⅞	16¼	19⅝	18¾	20⅜	18¾	21¼	18¾	20⅞	18¾	20¼	19¾	23⅜
Colorado Fuel & Iron Corp	*	18⅞	22⅞	19⅝	22½	19⅛	21⅛	18⅝	19⅞	18⅛	20⅝	18	19½	18	22⅝	20⅛	22¾	21⅝	24½	22	25⅜	22¼	25⅛	22¾	25½
5½% preferred series B	50	43½	45¾	45	46	45½	47¼	45¼	46	44	45⅞	44	44½	44⅛	45½	45	46	45⅜	49½	45¾	48	47	48½	46¾	48½
Colorado & Southern Ry Co	100	40	41	39	39	38	41	36	38	37	37	38	39	38	39½	40	47½	45	53	49½	52½	52	52	46	48
4% non-cum 1st preferred	100	46	51	48½	50	—	—	47	49	49	51	50	55	52	55	54½	59	56	60	60	65	61	65	55	61
4% non-cum 2nd preferred	100	47½	48	47⅝	49	—	—	—	—	47	49½	50½	53½	53½	55	54⅞	57¾	57	62	60	64	63¼	66	57	64⅞
Columbia Broadcasting System—																									
Class A	2.50	24⅞	28	24½	28¼	24⅝	29¾	27¼	29⅝	29⅛	32	29⅞	31¾	29½	31⅜	30½	36⅜	33⅝	36	35¼	39⅜	37⅜	41½	36⅜	39
Class B	2.50	24¾	27¼	24⅛	27⅜	24⅜	28¾	27⅛	29½	23¾	31¾	29½	31¼	29½	30⅞	30¼	35⅛	33	35½	35	39¼	37	40⅝	36¼	38¾
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	37⅛	37½
Columbia Gas System Inc	10	16	17	16⅝	17	16⅞	17⅜	17¼	18⅝	18½	18⅞	18¾	19½	19⅛	20	19⅛	19⅞	19¾	20⅞	20	20⅞	20⅛	21	18⅞	23¼
Columbia Pictures Corp	5	12½	14¼	13	14¾	13⅝	16¼	14⅝	15¼	14⅞	18	16¼	17⅝	16½	18⅝	17⅝	20¼	18¼	19¾	18⅝	19⅞	18¼	19½	18¼	20½
$4.25 preferred	*	67½	68½	65	66½	63½	65	63⅝	66⅜	63	65¾	64	68¼	63½	66¼	63	64	63½	64¼	63¼	65¾	63¾	73½	68½	72½
Columbian Carbon Co	*	31¼	36	33	37	33⅛	36½	34½	39½	37	40¾	37⅜	40½	39	43	39⅝	44	38⅝	43⅜	40½	44	40⅛	46¼	45¾	49⅞
Columbus & Southern Ohio Elec Co	5	30½	32	31⅝	33⅛	32⅞	34½	33	35¾	33	35	33⅛	34¼	32⅝	34½	32¾	34⅛	32⅝	34⅝	33⅞	35¼	34¾	37¼	34⅞	36¾
Combustion Engineering	1	23½	26½	23½	25	24½	26⅜	24⅜	26½	24¾	27	24¾	27⅞	24⅛	27⅜	26⅞	30	27½	29⅜	26⅛	28⅞	26	28½	30	33
Commercial Credit Co	10	46⅞	53¼	52¼	55⅛	53½	54¼	52	53¾	52½	57¼	55	57⅛	54¾	57⅜	56¾	64¼	56⅝	60⅞	58	65	60	63½	60½	62
Commercial Solvents Corp	1	10⅛	12⅜	10⅛	12¼	10⅛	11⅜	10¼	10⅞	10⅜	11⅝	10⅜	12¼	11	13⅜	12⅝	13¾	12⅞	14½	12¾	14⅜	13⅜	15¼	13⅜	15⅛
Commonwealth Edison Co	25	41⅝	44	43¼	44¼	43½	45⅛	44⅞	47⅛	45¾	48⅛	47¼	49¾	48¾	51½	46⅝	49¾	48½	56⅛	51⅜	53½	50⅝	52⅞	51½	57¼
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	52⅜	52⅜	51¾	51¾	—	—	—	—
4.64% preferred	100	101⅛	104	103	104	101¼	104	104¼	105	104	106	102	104¾	101½	103¼	100	103½	96	100	96	98⅛	96¾	98¼	98½	100½
5.25% preferred	100	—	—	108½	108½	109½	111	109¼	111	110¼	111¾	110	112	107	111¾	105½	108¼	106	107½	106½	108	107½	109	107	108¾
Comptometer Corp	5	4	5¼	4½	5	4⅝	6⅜	5⅝	6¾	5⅝	6¾	6⅜	7¾	6⅛	7¼	7	9⅛	7¼	9¼	7⅜	8⅞	7⅝	9⅞	7¾	9¼
Conde Nast Publications (The)	*	4½	5⅝	5¼	6	5	5½	5	5½	5	5¼	4⅞	5⅞	5¼	5⅞	5¼	6½	5⅝	6¼	5½	6⅜	6⅛	9½	7	9
Cone Mills Corp	10	9⅜	10⅝	10⅛	11	10¼	11⅜	11	12⅜	11⅛	12⅜	11¾	13¼	11⅞	14⅜	14¼	15½	14⅜	16⅛	14⅝	16⅛	14⅛	15¾	14½	15½
Congoleum-Nairn Inc	*	7½	9	8	8¾	8⅛	9⅝	8⅝	11½	10⅛	12¼	10	15⅜	11⅝	14¾	12⅜	14⅜	12⅛	15	11⅛	13⅛	11	14⅛	11¼	13⅞
Consolidated Cigar Corp	1	29¼	32¼	31¾	33⅝	31⅞	34⅞	30¼	33½	30¾	32¼	30⅝	32	31⅛	36¾	35⅜	38½	36	41½	40⅜	42¾	42¼	48	41¾	45
Consolidated Coppermines Corp	5	11½	14⅜	12½	14⅜	13⅛	14⅛	12	13½	11½	13⅞	11⅞	12⅞	12¼	13¼	12½	13½	12½	14⅝	14¼	18⅛	16¼	20¼	13⅝	19¾
Consolidated Edison Co of N Y Inc	*	44⅛	49¼	47⅝	49¼	48⅜	49⅞	49½	55¼	52⅝	55⅛	54⅞	55⅝	54⅝	55⅞	52	55⅜	52¾	55¼	55⅛	59¼	56⅝	59⅝	57¾	65
$5 preferred	*	103	106¼	104¾	106¾	104⅞	106½	105½	107¼	106	107⅝	106½	108½	104	108	101½	106	101	102⅝	101½	104⅞	102¼	104⅞	104	105½

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January		February		March		April		May		June		July		August		September		October		November		December	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Consolidated Electrodynamics Corp	50c	29	34¼	27⅞	30⅞	29⅜	35¼	30¾	33¼	29¼	32	29¼	32¼	29¼	35½	31¼	34½	31⅛	37½	34½	39	33½	41⅝	38¾	47½
Consol Electronics Industries	1	19½	23¼	20⅝	22⅞	22⅛	26½	24⅝	25⅞	24¼	26¾	23¼	24¾	22¾	24⅞	23⅛	26	22⅝	25	22	33½	29⅝	38⅜	38⅛	44¾
Consolidated Foods Corp	1.33⅓	14¼	15⅝	15	16	15¾	18½	17⅜	18¼	17¾	19½	18⅝	19½	19⅛	21	20¾	24	20⅛	23⅞	20	21¾	20⅜	24	22	26⅜
Consolidated Gas Utilities	1	13¼	15⅞	14⅝	15¾	14¾	16	15½	17¼	16⅛	17	16½	18	17⅝	18¼	17¾	18¼	17⅝	18	17⅝	17⅞	17¾	19⅛	18¾	20⅞
Consolidated Laundries Corp	5	15¼	16½	16	17	16½	19½	17⅝	19½	17⅞	18¾	17¾	18¼	17¼	19	17⅝	21¼	20	26	24	27¾	20¼	26⅞	21½	24⅜
Consolidated Natural Gas Co	10	40¾	44	41½	43	42¾	45	43½	47¼	46½	48½	46½	48⅛	46⅜	48⅜	45¾	47	45¾	48¾	46½	49	46¾	48	46⅝	50¾
Consolidated RR of Cuba 6% pfd	100	23⅛	39½	29	34	26⅞	29⅜	26½	31½	31½	34⅝	29	32¼	31	33	28½	32½	30½	34½	27½	31	27½	33½	26	29½
b Consolidation Coal Co	1	—	—	—	—	—	—	30⅞	34½	30	33½	32½	34½	33½	40⅜	38¾	41	37⅛	40½	36	38¾	35¾	40	35⅝	40⅛
b Name changed from Pittsburgh Consolidation Coal																									
Consumers Power Co common	*	48⅛	49½	48½	49⅜	48¾	50⅜	49⅛	51⅞	50½	52⅞	52⅜	54¼	50¾	54¼	51⅛	52	51¾	55	55	57¾	53¾	56⅝	53	55⅞
$4.50 preferred	*	98	103½	101	103¼	100½	103	101	104	100	102¾	99¾	102¾	98	102⅝	93¾	100¾	92½	95½	94⅛	96	94⅛	96½	92	98
$4.52 preferred	*	98½	103	98¾	103¼	100	102¾	101½	103¾	101½	103¾	100¾	103	100½	102½	96¼	101	93	94½	94	98	93	95¼	93	96½
$4.16 preferred	*	94	94	97½	99	96	97	94	95	94¼	96	97	97	94	96¾	—	—	—	—	85	86	87	90	87¾	87¾
Container Corp of America	5	17	19½	17⅞	19⅜	18	19⅛	17⅞	20⅜	20	20⅞	20⅜	22⅜	21½	24½	23	24¾	23	26	25⅝	28¼	26¼	30¼	27¼	29⅜
4% preferred	100	88	90	93	95	95	95	93	96	95	95	95	95	95	96	—	—	86	90	87	90	90	92	89	91
Continental Baking Co	5	27¾	33⅜	32¼	33⅜	32½	36⅛	33⅜	37¼	36⅞	39⅝	37¾	39¾	37⅝	40⅛	37¼	39¼	38¾	43¾	43½	46⅝	42¾	45	43⅞	49¾
$5.50 preferred	*	99	103½	102½	106	102	105¼	101⅝	104⅝	103½	105¼	104½	105½	104½	105½	103½	106	103¼	105⅜	103½	104¾	104	104½	102½	104
Continental Can Co Inc	10	40½	45	42⅛	44⅞	44⅛	47⅝	46⅝	48⅛	47⅛	50¼	49½	52¼	48¼	52⅜	46¾	50	48⅜	51⅞	51⅝	58⅞	55¼	60⅜	55¼	59¼
$3.75 preferred	*	86	90½	89	91½	89¼	91¾	91	94	91½	95	91	94½	87	92¾	85½	89¾	84½	87½	81¼	86¼	82½	85	82½	85½
$4.50 convertible 2nd preferred	100	109	114¾	112¼	113	112½	115½	115	117½	117½	123	120	125¾	122	125	116	120	117	120	125	140	133½	143½	134¼	139½
Continental Copper & Steel Indus—																									
Common	2	8¾	10	9	9⅞	9	9¾	8⅜	9⅛	8¾	10⅛	9⅝	12	10⅝	11½	10¾	11⅜	11⅛	12⅛	11⅞	13½	12⅛	13⅛	11⅛	13
5% convertible preferred	25	20¾	20⅞	20⅝	20¾	—	—	19¾	20½	18½	20⅛	20	21½	21¼	22	21½	21½	21½	22¼	20½	23	20½	22¼	21	21½
Continental Insurance Co	5	44	48½	47	52½	49½	52¾	48⅞	52⅜	48½	52½	50¼	53⅛	50½	53¾	50¾	53½	50½	53¼	50⅛	56	53⅛	58	56¼	63
Continental Motors Corp	1	6	7½	7⅛	8¼	7¾	8½	7½	8⅞	8⅛	10	9	9⅞	8½	9⅝	9	10⅜	9⅞	10¾	9½	11½	10⅛	10¾	10⅝	12⅜
Continental Oil Co of Delaware	5	40⅜	44	38⅝	44⅝	42	48⅛	45½	50⅛	49	52¾	49	53⅞	51¼	57	56⅜	60⅜	56¼	60	54	60	55	58⅜	56	64
Continental Steel Corp	14	28¼	30¾	28½	31¼	29	31¾	28¼	32¾	33	36	34	35⅞	34⅝	46¾	44	49⅞	45	53¾	48½	62⅝	59	66¾	57	61¾
Cooper-Bessemer Corp	5	18⅜	22½	20	22⅝	20	21⅞	19¾	21⅞	20⅞	23¾	21½	25¼	21⅝	28⅜	26¼	29⅝	27	29¼	26¾	30¼	29⅞	34⅞	31¾	37⅜
Copper Range Co	5	16½	19¾	17½	20	17⅞	24¼	20⅛	23¼	20½	23⅛	21¾	25¼	22⅛	25¾	24⅛	28⅝	25¼	28⅞	28	34⅜	27⅞	31¼	26	28⅞
Copperweld Steel Co	5	21	24½	22½	25⅝	22⅛	24½	21½	23⅛	19⅛	22⅜	19¾	21½	20⅛	26	23½	25¾	24⅝	32	30¼	38¾	34	40	36¾	41
5% convertible preferred	50	50½	52	51½	51½	—	—	51	51	50½	51¼	51	51¼	—	—	50½	50¾	51½	51½	51½	51½	51½	51½	50½	51
6% convertible preferred	50	52	52	—	—	52½	52½	55	55	53¼	53¼	53	54	53	64	—	—	60	65	65	79	76¼	80	77	82½
Corn Products Refining Co	10	33⅛	35¾	34⅞	36½	36	42¼	36⅝	41	39¾	42½	41⅞	44⅛	41⅜	45	43⅜	45¾	44⅜	47¾	45	51⅛	49	55⅜	52⅛	55¼
7% preferred	100	163¼	168½	161½	164½	159	162	159¼	166	163½	167	165	169	160	168	164	175½	169¼	174½	—	—	—	—	—	—
Cornell-Dubilier Electric Corp	1	13	16½	13⅝	15¼	13	14⅜	12¾	15⅜	14⅞	16¼	15¼	17¾	16½	17⅜	17⅛	18⅛	18	18⅝	18	21¼	19¼	21½	20½	24⅞
Corning Glass Works	5	74¾	84¼	74⅝	82¼	77	86¾	79¼	84¾	80½	85½	81¾	86⅜	82¾	90½	88½	94½	91	95	86⅝	92¼	87	92	91½	102½
3½% preferred	100	85	86	86	86½	86½	87	85¼	87½	85¼	85¼	85¼	86	85¼	86½	87	88	86½	87	83	86	84¼	85	85	85½
Preferred 3½% series of 1947	100	86	86	—	—	85	87	87½	89	86	86	87	87	86	86	—	—	86¼	88	86¼	87	86½	86½	85	86½
Cosden Petroleum Corp	1	15½	19⅛	17⅛	18⅞	17	18	16⅜	18¼	17¾	19¾	17¾	19¾	18¼	20	19¼	20⅜	18⅜	20	17½	19⅞	17⅝	20	18½	19½
Coty Inc	1	4¾	5⅝	4¾	5⅛	4⅝	5	4⅜	5	4½	5¾	5⅜	5⅝	5½	6½	6⅛	6⅜	6¼	7⅜	6⅝	8⅝	8⅛	9¾	8½	9
Coty International Corp	1	1⅞	2⅛	2	2¼	2	2¼	1⅞	2⅛	1⅞	2⅜	2⅛	2⅜	2⅜	2¾	2⅝	2¾	2½	2¾	2⅝	3⅛	2⅞	3⅜	3	3¼
Crane Co	25	24⅛	28⅞	26¾	28½	26⅝	29	25⅝	28⅛	25½	29	27	30	28⅜	30¾	29¾	35¾	30¼	33¾	32	35⅝	33½	39½	34½	39⅝
3¾% preferred	100	79	82	83	83	83	83	83	83½	84	85¼	85	86	84½	85¼	83½	83½	81	81½	81	81¼	78	80¼	80	84
Cream of Wheat Corp	2	28½	29⅝	29½	31⅛	30¼	34½	32½	34⅜	33	34½	32½	35⅝	33½	35¾	34½	35⅞	35½	36⅞	34½	37⅜	34⅜	39⅞	38¼	40¼
Crescent Petroleum Corp	1	15	15⅝	14½	15⅜	14¼	17⅛	15¼	19⅛	17⅝	19⅛	17⅜	19⅛	16⅜	17⅝	16⅛	18½	16¼	17⅝	16⅛	17½	17	20½	16½	20¼
5% convertible preferred	25	—	—	—	—	—	—	—	—	—	—	—	—	—	—	23	25	24⅜	25¾	25⅛	25⅝	25⅜	28½	27¾	29¼
Crown Cork & Seal Co Inc	2.50	12	15¼	14⅛	15⅞	15	17⅞	16½	18¾	17⅜	22	19½	22⅛	20⅛	21⅝	19½	24¾	23⅝	26½	23¼	29	25½	29⅞	26⅝	31⅜
$2 preferred	*	25⅛	30¼	29	31⅜	31	32½	32¼	34¾	34½	39	34¾	38	34¼	35¾	34½	35½	35	37	36⅞	40⅛	40	40⅞	40¼	41¼
Crown Zellerbach Corp	5	44	49¾	44⅜	48⅜	45	47⅝	43½	46½	45¾	49⅞	47⅜	53½	46¾	52	50⅝	55¼	53¼	58½	53⅜	56	54½	58¾	54¼	58⅜
$4.20 preferred	*	95¾	99½	97	99¼	95½	97½	97	100½	97	100¼	96½	101¼	100	101	95	99	94	95	93	94⅝	92⅞	94¼	93	98
Crucible Steel of America	12.50	16⅝	19¼	15⅝	18⅜	16⅛	18⅛	16	17¾	17¼	19½	18	20⅜	19⅛	25⅜	22½	24⅝	23⅞	25⅝	24	29	24⅞	27⅝	26	28¾
Cuba RR 6% non-cum preferred	100	16½	27½	22	24¾	22¼	23½	21	25¼	23¾	25⅞	19	24⅛	20⅛	23¾	19½	20½	19½	22¼	17	20	16½	22⅞	16	18⅛
Cuban-American Sugar Co	10	18¾	20¾	18¾	22	20	21¼	19⅜	22¾	22	25⅛	24⅛	25½	23⅛	27⅛	26	30⅜	28⅞	33¾	27⅜	31½	28	31	27	33½
Cudahy Packing Co	5	7¼	9	7⅞	8¾	8⅛	9⅞	8¼	10⅜	9⅞	11¼	9⅞	10¾	10	11¼	10⅜	12¼	12	13⅜	12⅛	14¼	12½	14⅛	12½	15
4½% preferred	100	56	63	60¼	62	61	62¾	62½	66	64½	66⅛	64¾	67	65½	67½	64¼	66½	65¾	68	68	69	68	69¼	67	69½
Cuneo Press Inc	5	6⅜	8	7	8	7¼	7⅞	7½	8⅛	8	9½	8⅝	9½	8¾	9¼	8⅞	9¾	9¾	10⅞	10½	12⅞	12¼	14⅛	12⅞	14½
Cunningham Drug Stores Inc	2.50	29	31½	30½	31½	29½	32	31	33	32⅛	33	32	34	34	36½	35⅛	37¾	35	37	34¾	38⅞	37¼	38⅞	37	39
Curtis Publishing Co (The)	1	9	10⅞	9⅛	10⅝	8⅞	9⅝	8⅜	9⅜	8½	9⅛	8½	10¼	8⅝	9⅜	8¾	12¼	11⅛	13¼	12⅛	16½	13½	16	13½	15⅜
$4 prior preferred	*	56½	58	56¼	58⅝	55	57	55	56½	55½	56½	54	56	53¾	55½	54½	57	57	59½	59½	63¼	60½	62	59¾	61
$1.60 prior preferred	*	20⅝	21⅝	20	21¾	19½	20	19⅝	20	19⅝	20	18⅞	20⅛	19⅝	20	19½	20⅝	21¼	22	21⅛	22½	22	23¼	21½	22⅜
Curtiss Wright Corp	1	24	28⅛	23¾	25¾	20⅝	24½	22	24½	22⅝	26¾	24	26⅞	25	29½	26¼	31½	27½	30⅞	27⅛	29⅜	25½	29	25⅞	29
Class A	1	30⅝	33	30⅝	32¼	30⅜	32¼	31⅛	33½	32¼	34½	33½	34¾	33½	35¾	34½	37	34¼	36½	35	36	35	36⅝	33	36¼
Cutler-Hammer Inc	10	42¼	46	40¾	45	40½	44	41½	45	44¾	50⅞	47⅝	50¼	48⅝	52⅝	51¾	59	55	57½	55⅛	58¾	56⅛	63½	57⅛	62

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STOCKS	Par	January		February		March		April		May		June		July		August		September		October		November		December	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Dana Corp	1	43½	45½	44½	46	43	45¾	41¼	47½	44¼	48⅝	44¾	48	46	51½	51	55¾	52	54	54	57	52⅝	57	55¼	61½
3¾% preferred series A	100	83¼	86	86	86	—	—	87	90	90	90	90	91	90	90½	90½	92	90	92	90	90	90	91¼	90⅛	91½
Dan River Mills Inc	5	9⅛	10⅛	9¾	10⅜	9¾	10⅛	9⅞	11	10⅜	11½	10⅞	11⅝	10¾	12	11⅜	12⅜	11⅞	13½	12¼	14⅛	13⅛	14½	13⅝	14¼
Davega Stores Corp	2.50	3¼	3⅝	3⅜	3⅜	3	3¼	3⅛	3⅜	3¼	3⅜	3¼	4⅝	3⅞	4⅜	—	—	—	—	—	—	—	—	—	—
5% conv preferred	20	11½	11⅞	11⅛	11½	11½	11½	10½	10½	10¾	10¾	11	11	11⅛	12⅜	—	—	—	—	—	—	—	—	—	—
Daystrom Inc	10	30¾	35	30⅛	32¼	30	34	30½	33½	30¾	34⅛	32¼	36½	33½	35½	33	36¾	34¾	39¼	34½	38¾	32⅞	39¾	35¾	38⅝
Dayton Power & Light (The) Co	7	43½	48½	45¼	49	45¼	47⅞	45⅛	49¾	47⅜	49½	48	51	49	52¼	48¾	50⅝	49¼	54½	51⅝	54⅝	50	53¾	51⅜	56½
Preferred 3.75% series A	100	83½	87	84	85	84½	86	85	87	84	86	83½	85½	82	85	80	83½	77	79⅛	76	80	75¾	80	76¼	79
Preferred 3.75% series B	100	84	88	84	85	83	84½	84	86	86	87	85	87	82	84	78	81	77¼	78½	78	80	78	81	78	79
Preferred 3.90% series C	100	85½	86½	84½	86	83	84½	86	88	88	88¼	88	89	85	87	83	83	—	—	79	79¼	80	80½	79	80¾
Dayton Rubber Co	50c	15½	17	15¾	16¼	15¾	17⅝	16	16⅝	16⅛	17¼	16⅞	18¼	16⅞	19¼	18¼	19	18⅝	21⅝	20	21¾	21⅛	24¼	22⅞	26½
Decca Records Inc	50c	13⅞	15⅞	14½	15⅜	14⅜	16¼	14½	15⅝	14½	15⅜	14⅞	15⅜	14	15¼	13⅞	15¼	14¾	17¼	16⅛	19⅛	17½	19⅞	17½	19½
Deere & Co	10	27⅝	30¼	28¾	30⅜	28¾	30⅜	28½	33⅞	33¼	36	35½	38¾	37	39⅝	39	45¼	42½	47	46⅜	51¼	46	54⅛	47	52⅝
7% preferred	20	30¼	32½	30	32¼	30	30⅞	30⅜	32¼	31⅝	33⅜	33¼	37	35⅛	36	35⅝	35⅝	—	—	—	—	—	—	—	—
Delaware & Hudson Co	*	20⅛	22⅝	20¼	23	19⅝	21⅞	19⅝	21⅞	19⅞	21⅞	19¾	22¼	19	23¼	21⅜	24⅝	23½	25⅞	23½	25¼	24⅜	30⅛	27⅜	29¼
Delaware Lack & West RR Co	50	6⅝	7⅝	6¾	7½	6½	7¼	6⅜	7⅞	6⅞	7½	7¼	9	8⅛	9⅞	9	9¾	9⅛	11½	10⅛	11⅝	10⅝	12⅛	10½	12⅜
Delaware Power & Light Co	13.50	47½	49¼	46⅝	48½	46¾	49⅜	47½	50⅜	49¾	54	53	54	53¼	55	53⅞	56	53¾	55½	54	55¾	55¼	62¼	60⅜	63¼
Delta Air Lines Inc	3	16¼	20¾	19	20⅞	18½	20⅞	17⅜	19¼	16¼	17⅞	17⅜	19	17⅝	20½	19⅜	22	19⅛	21¾	19⅜	21⅞	20¼	23	20⅝	25½
Denver & Rio Grande West RR Co	*	35	39¾	35⅛	39¼	34½	37	34⅛	39⅝	38¾	41⅜	38¾	41	39	43⅞	42½	46⅜	44	47⅞	46½	52½	50¾	57	54½	58⅞
Detroit Edison Co	20	37⅞	39½	39	39⅞	39⅜	40¾	39⅛	39¾	39⅛	39⅞	39¾	41⅜	39⅞	40¾	39¾	40¼	39½	40½	39½	40⅛	40	42⅛	41⅝	42⅜
Detroit Hillsdale & S W RR Co	100	58	58	55	57	55	55½	55	55⅛	55	55	55⅛	56	55	55¾	56	56	57	60	60	63	59	64	61¼	61½
Detroit Steel Corp	1	9⅛	10⅞	9⅝	10¼	10	10¾	9⅜	10¼	9¾	12⅛	10⅞	11⅞	11⅛	15⅜	13½	14⅞	13⅞	16½	14½	17⅜	13⅞	16⅜	14	15⅞
DeVilbiss Co (The)	15	39¼	40½	37⅜	43¼	36	40¼	29⅝	32¼	30	33	30⅜	32½	30	37¾	32¾	36	32½	35½	34¼	36½	34½	42	37	42
Devoe & Raynolds class A	2	—	—	—	—	34½	34½	34½	34½	—	—	—	—	—	—	34½	34½	—	—	—	—	—	—	—	—
Diamond Alkali Co	10	33⅛	35¾	33⅛	36⅛	31⅛	37⅝	30⅜	32⅜	30⅛	33¼	33	34¾	33⅞	38⅝	36½	42¼	40⅜	42¼	39⅝	46	41½	43⅞	42⅞	48⅞
Diamond Gardner Corp.	1	25¼	29½	27⅛	29¼	27⅛	29½	28½	32¾	32	32¾	30¼	32¾	31	32⅜	32	34⅞	30⅞	35⅝	30⅛	32⅞	30¼	33⅞	31	33¾
$1.50 preferred	25	30	32	31¼	32⅛	29¾	31	29¾	32¼	31½	32¾	31	32¾	31	32¼	30⅝	31½	30½	31	30½	31¼	30¼	30⅞	30⅝	31¾
Diana Stores Corp	50c	11¾	13¼	12⅞	13½	13⅛	13⅞	13¾	15	14¾	16	15	15⅞	14¾	15⅝	15	15½	15	16½	16	16¾	16⅝	19¾	18	19
Disney (Walt) Productions	2.50	14	16¼	16⅜	18⅜	16⅞	21½	18	20½	19⅜	24⅞	22	25	24¼	27¾	26¼	31⅜	31⅝	36⅞	31⅜	38¾	36⅝	41¼	35⅞	43⅞
Distillers Corp-Seagrams Ltd	2	25⅝	27⅛	26⅜	28	26⅜	27⅞	26⅝	27½	27¼	29⅞	29	30⅝	28⅞	31⅜	30½	31⅞	30⅝	33¾	32½	34½	32⅝	35½	32⅞	34¼
Divco-Wayne Corp	1	9⅞	12	11	12⅛	11⅛	11⅞	10⅝	12⅜	11⅝	12¼	11¾	15⅞	13½	15¾	13¾	16¼	15⅞	18⅛	16½	18	16½	19⅜	18½	26⅞
Dr Pepper Co	*	8½	10⅝	9⅞	10⅝	10	10⅜	9⅞	10½	10¼	10⅝	10⅜	11	11	11¾	10½	11¼	10⅜	10⅞	10⅜	12	11¾	12⅝	12⅝	19⅞
Dome Mines Ltd	*	11¼	14	13⅛	15¾	14	15¼	14⅝	16⅝	15⅞	17⅛	15⅝	16¾	14¼	16⅜	15⅛	16⅛	14⅞	16⅛	15	16	15⅜	17⅞	16¾	19¾
Douglas Aircraft Co Inc	*	63⅝	74⅞	55	65¾	55⅛	58½	54½	58⅞	56½	62	55⅞	61¼	55⅝	61	58	61⅝	57⅝	63⅜	56½	61¼	56⅛	60	56	59
Dover Corp	1	12	14⅛	13⅜	14⅜	13	14⅜	12½	13¾	13⅜	14⅞	14⅝	17¼	16⅛	17	17	19⅜	16⅞	18¾	17¼	18½	17¾	20½	18⅝	20⅛
Dow Chemical Co (Del)	5	52½	58⅛	54⅛	59¼	55⅝	58½	52⅜	57	52¾	57⅛	54¼	57⅛	54¾	63	61⅝	67¼	63¾	67¾	63½	70¾	69½	76½	71½	77½

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Dresser Industries Inc	50c	37	41	37⅛	42⅞	35	38⅞	33	37⅛	34½	37⅜	34¼	39¾	38¾	44¼	40½	44¾	40¼	46⅜	39½	46⅝	39⅜	42⅜	39	42⅜
Drewrys Ltd U S A Inc	1	16⅞	18⅛	17¾	18⅜	17¾	18½	18	19⅛	18⅞	20	19⅛	20	19⅝	21¼	20¾	22¼	20½	22¼	22	23⅞	22¾	23⅞	22¾	23½
DTM Corp	2	24½	28½	27¼	30⅝	28¾	31½	28½	29½	27⅛	29½	28	29⅝	—	—	—	—	—	—	—	—	—	—	—	—
Dunhill International Inc	1	10	10½	10	10	9	9½	9	9¾	9¼	10½	10¾	12½	11	11¾	11½	12	11⅜	13⅝	13	14	13⅛	14⅞	12	13⅞
Duplan Corp	1	6⅛	7¾	7	8¼	7¾	8⅛	7¾	8⅜	8	8½	7⅝	9½	8⅝	9⅞	9	10¼	9½	11¼	10½	12¼	10¾	14½	12½	14½
Du Pont de Nem (E I) & Co	5	176	185⅞	175	188½	174½	182	172⅛	179	174¼	179½	178¼	192	184¼	195⅞	192½	198½	195	201½	192¾	207¼	193¼	208	196	214
$4.50 preferred series	*	106½	109¾	108	109¼	106½	109⅜	108	112¼	109½	111½	108½	111	107½	109½	102	108	101	103½	101	102⅜	102	104	102⅝	104¾
Preferred $3.50 series	*	85	89¼	87¼	87¾	87	89	87¾	91¼	89½	91	88¾	93	85	88¾	81½	85½	81½	84½	80½	85¼	82¼	84¾	82	83½
Duquesne Light Co common	10	34¼	38⅛	36⅝	38	36⅞	37⅞	35¾	39¼	38⅜	39½	38½	40¼	39¾	41½	39⅝	41½	39⅛	42	40	45	43¼	49¾	47¼	50¾
3.75% preferred	50	42	42	41½	42¾	41	44	42½	45	46	46½	43½	46	42½	44¼	40	43	40⅛	41½	39¾	42⅜	41	41¾	39¾	41¾
$4.18 preferred series	50	—	—	48	48¾	46⅜	47½	—	—	50	50	48½	49½	49	50	48½	49	43	48	43	45½	45	47	46	46½
4% preferred	50	44	48	45	47¾	46⅝	48¼	46	47¾	46⅝	47¾	46⅜	48¼	46⅛	47⅞	43	46½	41¼	43½	42	44¼	41¾	44¾	43	45⅞
4.20% preferred	50	48	50	—	—	50	50	50	50	48½	50	49½	50	46	50⅛	48	49	47	48	47¼	48	47¾	48	47½	48½
4.10% preferred	50	46½	48	44½	46½	45½	48	46½	49	48½	51	48¾	51	48	48	47	47	45	46	42	46	45	45½	42½	45
$2.10 preferred	50	48	53	50	52	48	50	—	—	48½	50	50	51	48	49	46	48	—	—	46	47½	44½	45½	46½	46½
D W G Cigar Corp	5	14⅝	15¼	15	16	15¼	18⅞	16	17½	16½	17⅜	16⅝	18½	17⅞	22⅝	21½	22⅝	22	23⅞	22⅛	24	23¼	24½	22⅝	23⅝
E																									
Eagle-Picher Co (The)	10	27¾	32¼	30⅝	33⅜	30¾	33¼	30⅜	31½	30¼	32⅜	31½	34⅜	32¼	35¼	34½	36½	34¼	39¼	38¾	42	38¾	41⅜	39¼	45¾
Eastern Airlines Inc	1	29⅛	35⅜	34	38½	36	38⅛	31	35¾	31	34⅛	32	34¼	33⅛	36¼	34¾	38⅛	34¾	36⅞	35¼	37⅜	32⅞	38	32¾	36
Eastern Corp	10	16¾	20½	18	20	19½	21⅞	20⅛	30⅛	28¾	32	31	36¼	34½	37¾	37½	41½	39½	44	—	—	—	—	—	—
Eastern Gas & Fuel Assn common	10	24¼	27	25½	27½	23⅝	26½	22⅛	24⅞	23⅞	25¾	24	27¾	25¼	29¼	27⅛	30¾	27⅛	29⅛	27⅛	30⅜	25⅝	29½	27⅛	29
4½% prior preferred	100	73½	78	75¼	78	76¼	80	79	81¾	80⅜	82¼	77⅞	82⅞	77¼	79¾	76¼	78	77	78½	76	78⅜	77	80	76⅞	79¾
Eastern Stainless Steel Corp	5	26⅞	31	28¾	31¼	31¼	37⅞	32⅝	35¼	34¼	38¾	36⅛	41½	40¾	52⅝	47⅝	53¼	48¼	55⅜	51⅞	56⅝	52	59⅝	52⅝	57½
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1 7/16	1 21/32	1 7/16	1 21/32	—	—
Eastman Kodak Co	10	97⅛	103	99⅛	105¾	101¾	107⅜	100⅛	107⅞	103½	107¾	104	113	110⅞	118¾	115⅞	120½	119¼	131	125¼	130	127⅝	144½	132½	148
6% preferred	100	154	157	153	157	151	159	152	159	154⅛	158½	157	158½	155	156½	156	156¾	152	156	150½	154	152¼	155½	149½	151¾
Eaton Manufacturing Co	2	38½	46¼	41	43⅜	42	43½	41¾	45⅞	41¾	44½	43½	47½	46¼	50¼	47¼	52¼	51	55¾	53¼	59	54½	57⅜	55	58½
Edison Bros Stores Inc	1	22⅛	24⅜	23⅝	24⅜	24	24⅞	24⅜	27⅝	27⅛	30	26	29½	28⅝	29⅞	29½	31⅛	29⅝	31⅜	30¼	32⅝	30	33	31½	37
4¼% preferred	100	76	81	79	80	80	81	80½	82	83	83¼	79	83¼	81	83	81½	81½	80	81½	80	80½	80¼	81	80½	83
Ekco Products Co	2.50	22½	26	24½	26¼	24⅝	27¼	23	27	23⅝	24⅞	24⅛	27⅛	25½	30½	27⅞	31½	28¼	32½	29⅝	33⅞	30¾	33½	33⅞	37¼
4½% preferred series	100	86	86	—	—	88½	95	91	94	90⅞	90⅞	90⅞	90⅞	92	92	93	93	—	—	93	93	93	93	—	—
Elastic Stop Nut Corp of America	1	18¼	20⅜	18	20½	18	19	14¼	18⅜	14½	15¾	14⅞	16¾	15⅛	16⅝	16⅜	17⅜	16¾	18¼	16⅞	18⅞	17⅜	18½	17¼	18⅞
Electric Auto Lite (The)	5	25	27⅞	25¼	27⅝	26	27⅞	25⅝	28⅜	26⅝	31⅞	28⅝	31⅜	30¼	34⅛	33½	37⅛	35¾	37⅛	35¼	39	35⅞	39	36	37⅞
Elec & Musical Ind Amer shares	10 sh	3¾	4¼	3¾	4¼	3¾	4⅛	4⅛	4⅞	4⅜	5⅜	4½	5	4⅝	5⅛	5	5⅝	5¼	6	5¾	8	7¾	8¾	8⅛	11⅜
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7⅛	8⅝
Electric Storage Battery	10	26¼	29½	29⅛	31⅛	30	31	30	31¼	30⅞	32⅞	31¼	33¼	31¾	33¾	32⅛	34¾	33	34½	34	36½	35½	40¼	38	40
Elgin National Watch Co	5	6¾	9⅝	8⅜	9¾	7⅜	8¾	7⅜	8	7¼	8⅝	7½	8⅞	7⅝	8⅝	7¾	8¼	8	9	8¾	9½	9⅛	10⅜	9½	11⅜
El Paso Natural Gas Co	2	27	30½	28⅜	30⅜	27⅝	29¾	28	33	31½	32¾	32⅛	35	30¼	33⅜	31¾	33⅜	31⅛	33⅝	32¾	35⅜	31½	34⅝	31	39¼
Emerson Electric Mfg Co	4	29	32½	30⅝	33	31⅞	34⅜	32⅛	35⅜	34⅛	37¾	36	40¼	37¾	39¾	37⅝	40¼	38⅞	42⅝	38½	52⅜	47	51⅝	48	56½
Emerson Radio & Phonograph Corp	5	4⅛	5⅜	4¾	5⅝	4⅝	6⅛	5½	6⅛	5⅝	7	6⅜	7¼	6⅞	7½	6¾	8⅛	8	9⅝	8¾	12¼	10¾	15⅜	13⅝	16⅛
Empire District Elec Co (The)	10	17⅞	20⅞	20⅛	22	20¼	21¾	20¾	21⅝	21⅛	22	20¾	21⅞	21¼	22⅛	20¾	21⅞	20⅝	22	20½	22½	21⅞	23½	22⅝	24
Endicott-Johnson Corp	25	31½	33⅞	33⅛	34½	33⅜	34¾	34½	38½	36	38⅛	31½	36½	30	32	31½	32⅜	30¾	32¾	31⅛	32⅜	31⅛	33½	32⅝	33⅞
4% preferred	100	79	87½	84	88½	84	87	82	88½	86	90	84	88½	84⅞	87	84¼	86½	82¼	86	82½	84½	79½	83¼	80⅛	84½
Equitable Gas Co	8.50	26¼	29⅝	28⅝	30	29	29¾	29¼	32¼	30¼	32¼	31⅛	32⅞	31⅝	33¾	31¾	34⅝	32½	35¼	34¾	36⅞	35	36⅜	36¾	36⅞
Erie RR Co	*	6⅞	8⅜	7	8⅜	6⅞	7⅝	7	8⅜	6⅞	8	7⅝	8⅞	8	9¾	9⅜	10¼	9½	12¾	10⅝	12⅜	11½	13	11	13
5% preferred series A	100	44½	60	51½	60¾	50	53½	47	60	50	57½	50⅛	54½	50½	56	53½	55½	53½	60	57½	60½	57¼	59¾	54¼	59¼
Erie & Pittsburgh RR Co	50	56	56	55⅛	55¼	55½	57	—	—	54½	55¼	54½	56	55	55	56	56⅝	55	57	59¼	61½	—	—	60	60
Evans Products Co	5	11¼	14½	12⅛	14¼	12	14	11	13⅝	11	13⅛	12	13⅞	12½	14⅜	13⅝	16¾	15½	18	16¼	18⅞	17⅛	21	17¾	19⅝
Eversharp Inc	1	13⅛	15½	15⅛	17¼	16¼	19⅝	18⅛	19⅞	16¾	19⅜	17⅛	19⅛	18¼	20¼	18⅜	19½	17¼	19⅛	16½	21⅞	19½	28	22¾	27⅜
Ex-Cell-O Corp	3	28½	32½	29⅛	32⅝	29¼	34⅜	31⅜	38⅝	35½	39	34½	37⅛	34¼	40⅜	38⅝	41½	41⅛	44¼	38½	43	40¼	43⅞	39	47
F																									
Fairbanks Morse & Co	*	39¼	41¾	38⅜	39⅝	37½	39⅛	37⅜	38⅛	38	43½	37½	38½	37½	38¼	39	40½	35	40	33⅛	37	32⅜	35½	32½	35
Fairchild Engine & Airplane Corp	1	7	8⅝	8⅛	9¼	8	9	8	12⅛	10¾	13¼	10⅞	12⅞	10⅜	11⅝	9⅝	11⅝	10⅝	11⅞	10½	12½	10½	12¼	9¾	12⅝
Fairmont Foods Co common	1	—	—	—	—	23⅛	25½	22⅛	24⅛	23¾	26⅛	25⅛	26⅞	26	28⅛	27⅜	29	27⅞	30½	27⅞	30	28¼	29⅞	28⅛	29⅞
4% convertible preferred	100	—	—	—	—	—	—	79	82¼	81¼	83¼	83	83	83¾	84¾	85½	88	86½	89	84½	88½	83¾	86½	84½	86½
Fajardo Sugar Co	20	7¾	10	7⅝	9⅜	8⅜	10¾	8⅝	9⅜	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Falstaff Brewing Corp	1	15¼	16¼	15¾	16⅜	16¼	18⅛	17	18	17	17⅝	17	17⅜	17¼	18	17	17½	17⅛	18	17½	18½	18	19¼	18⅜	19½
Family Finance Corp	1	24¼	27⅜	27	28⅜	26	28⅛	25½	28	27¾	30¼	28	30¼	27¾	30	28	31	28⅛	30⅞	28⅝	29⅞	29	32¼	31	33
5% convertible preferred series B	50	—	—	—	—	—	—	—	—	—	—	—	—	80	80	—	—	80	80	79½	79½	80	82½	87¾	88¾
Fansteel Metallurgical Corp	5	45⅝	50½	48⅛	52	47⅜	53½	45⅝	47⅝	43	46⅞	45¾	49	46¼	52	49	51¾	47½	50½	48	55	46½	50¼	47⅛	50¾
Fawick Corp	2	4	4⅜	4⅛	4⅜	4	4⅜	3⅞	4¾	4¼	5½	5⅛	6	4¾	5⅝	4⅞	5⅝	5⅜	5⅞	5½	6½	5⅝	5⅞	5¾	6¾
Fedders-Quigan Corp	1	11⅜	13¾	12	13½	12⅛	13⅛	11¾	13½	13⅛	14⅛	12⅞	14⅛	12½	13	12⅝	13⅜	12¾	14¼	13⅛	14⅝	14	14¾	14½	17⅛
5½% conv preferred 1953 series	50	52	52	50	50	54	54	52	54	54¼	54¼	54	54	52	53	50½	52	52	54½	54¾	55½	54¼	56	55½	64
Federal-Mogul-Bower Bearings	5	32¼	36⅝	32⅛	36½	32	34⅛	33⅛	35¼	33¼	35½	33¾	36⅜	35⅞	38¾	39	42½	40¼	42	41⅝	47¾	47½	53	49½	55
Federal Pacific Elec Co	1	20¼	22	19⅞	21¼	19	20¾	18¼	19¾	19⅜	20¾	18¾	22⅜	21⅛	24½	23	24⅞	22⅜	24	21½	23½	21½	23½	20¾	22⅝
Federal Paper Board Co Inc	5	29½	31¾	31⅛	34	32⅝	35¾	34	35¾	34¾	35⅞	36	39⅝	38½	42½	41	44	43¾	46⅞	44¼	49½	43¼	52	47⅝	50
4.60% preferred	25	19⅛	20	19½	20¼	20	20⅝	19¾	20⅛	19⅝	20½	20⅛	22	21½	22	21	21¾	20¾	21½	21⅜	21⅞	21	21¾	21⅛	22
Federated Department Stores Inc	2.50	29¾	31⅞	30⅝	33¼	32¾	36¾	34⅜	38½	36¼	39⅛	37⅛	40⅜	39½	42¼	39⅝	44½	43⅝	49¾	44¾	52¾	46⅛	52½	50⅛	57
Fenestra Inc	10	20¼	22¾	20¾	21¾	19⅝	23⅝	18¼	20	16½	18⅝	17⅜	18¾	17¾	19¾	18⅜	21½	17⅛	19⅝	17⅛	18⅝	17½	19⅞	18½	19¾
Ferro Corp	1	16½	20	19⅛	20⅛	18⅞	20¼	18⅝	19⅞	19½	21¾	20½	21⅞	20⅝	24¼	23¼	26¼	24½	26⅛	26	28	26¾	30⅛	27½	30½
Fibreboard Paper Products Corp	*	20½	26	24¾	26½	24⅝	26⅞	22⅝	24¾	24⅜	28⅜	26⅝	29¼	29	32½	32	37	35¼	38⅜	36⅜	40¾	39½	45	42¾	52¼
4% convertible preferred	100	83¾	88	89	92	93	97	90	95	92⅜	99	98¾	100½	101	111	107¼	125	120	130½	125	134	135	150	145	168
Fidelity Phenix Ins Co of N Y	5	48	50½	47⅞	53½	50½	53¼	50¼	53	50¼	52⅞	50½	53⅞	53¼	56⅛	54	56¼	50¾	54¾	51⅝	57¾	55	60¼	58¼	67½
Fifth Ave Coach Lines Inc	10	20⅛	22⅝	21⅜	22⅝	19⅛	24¼	16¾	20¼	17½	18¾	17¾	19	17	18⅜	18½	20⅝	18½	20	17⅞	20⅛	18	22½	18⅜	21⅞
Filtrol Corp	1	39⅞	44¼	39½	45¼	48⅛	43¾	38⅝	41¼	39⅝	42¾	40⅞	48⅜	45	49⅝	45⅝	48¾	43¾	46⅞	42	48¼	41	44⅝	41½	46⅛
Firestone Tire & Rubber Co	6.25	87	93½	83⅞	88¼	83⅞	88½	82¾	87½	83½	87⅝	84	89¾	88½	100¾	96½	99½	98½	100¼	101½	110	109	120¼	117½	136
4½% preferred	100	101½	102¾	102	102½	102	103½	102	103	102¼	104	103	104¼	101¾	104	101	103	100¾	103	100¾	104	101¾	103	101½	102
First National Stores Inc	*	56	58	55⅝	61	57½	62	59¾	62¾	61½	64¾	64	69¾	67½	72	66½	70	68⅛	73¾	67¼	75⅞	75½	88	77¾	82½
Firstamerica Corp	2	—	—	—	—	—	—	15¼	17	16¼	17¾	17⅛	18	17	17⅞	17	20	18⅝	19½	18⅝	20	19¼	22½	21	22⅛
Firth Carpet Co	5	7½	8¼	6⅞	7⅞	6½	7⅛	6¾	7⅝	7	8¼	7	8¼	7	8⅜	8	9⅝	9¼	10¾	9⅝	10½	8¾	10	9¼	10½
Flintkote Co (The)	5	37½	41¾	40	42¾	41	45⅜	40½	43	41⅝	43⅞	41⅛	43⅞	42⅜	47	45½	49¾	46⅛	50¾	48⅛	52¼	50¼	59¾	56¼	61¼
$4 preferred	*	87⅜	91	91	93⅞	91	91	90	91	91	92	91	94	92	92	92	94	92	92	86	90	88	90	85½	90
$4.50 convertible A 2nd preferred	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	107¾	112
Florence Stove Co	1	12⅞	16⅞	14⅜	15⅞	14½	15¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Florida Power Corp	7.50	56⅞	59	58	60	57½	60¼	58	65¾	62½	65⅝	64¾	69½	69	75½	70½	79¾	74¼	79¼	79¼	91	85½	95	—	—
When issued	2.50	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	28	30¾	28¾	31¾	29⅜	32⅜
Florida Power & Light Co	*	54	59¼	58¾	60⅞	59⅝	63⅜	60⅞	65⅞	65⅜	68¾	66½	69¼	68	70½	69¾	73⅞	71⅜	76⅞	76⅛	83	81	87¾	85	91¾
Fluor Corp Ltd	2.50	18⅛	20	18¼	19⅝	17⅝	19¼	17	18¾	17½	19⅜	18¼	22	19⅞	23⅝	20½	22⅞	21⅜	22⅞	21⅝	24	21⅝	25½	22¼	25
Food Fair Stores Inc	1	39⅝	44½	43⅝	47¾	43	47	44½	47⅜	47½	52¼	50⅛	52	49⅛	53¼	50	52	—	—	—	—	—	—	—	—
New	1	—	—	—	—	—	—	—	—	—	—	33¾	35	33¼	35⅞	33⅝	39⅞	38	40¼	36⅝	38⅞	36⅝	38¼	36⅜	38¾
$4.20 div preferred series of 1951	15	87	88	91	93	93	96	92½	93	91½	92	90	92	90	92	91¼	91¼	—	—	90	90	92	93½	91	91
b Food Giants Markets Inc	1	—	—	19¼	21⅞	21⅝	25⅝	20¼	23¼	20½	22⅝	20½	23	20⅜	23	21⅝	26¼	23½	25⅞	25⅛	30⅝	28⅝	30⅝	28½	35⅝
4% convertible preferred	10	—	—	10⅛	11¾	11⅝	13⅜	11½	12⅞	11⅜	12	11⅝	12¾	11¼	12½	11⅝	13¾	12½	13½	13	15⅛	14¼	15	14⅜	17⅝
b Formerly Magic-Chef-Food Giant Markets Inc.																									
Food Machinery & Chemical Corp	10	47½	51½	49½	52⅞	50	56½	52¼	55	53½	57	54⅛	57⅜	54½	60¾	56½	63¾	63¼	70	66½	72	71	79	—	—
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	35¼	36	35½	39¾	39	46¼
3¼% cum conv preferred	100	100	103½	106	107½	107	107	107½	113	115	116	113	116	117	122½	128	128	132	133	138	145	147½	150	160	180½
3¾% preferred	100	92½	92½	92	92¾	92	93¼	93	93¾	93½	94	94	94¼	93½	95	92	94	89	91½	89	90	89	92	90¾	92
Foote Mineral Co	1	38¾	43	39	43	38½	41	35½	40	38¾	44⅝	42	48⅞	46⅛	50¾	48⅜	52⅜	47¾	52⅛	38½	51⅝	36⅛	41⅛	37¾	42¾
Ford Motor Co	5	37⅜	41½	39⅛	41⅝	39½	41⅜	38⅜	40⅛	38½	40⅜	40⅜	42¼	39⅜	43⅜	41⅛	43⅝	41¼	48¼	45	48¼	44⅛	50⅝	44⅞	50⅜
Foremost Dairies Inc	2	15	16⅛	15⅝	16⅝	16½	17½	16¾	18⅜	17½	18¾	17½	19⅛	17⅞	18¾	17⅞	19¼	18⅛	18⅞	18½	20⅝	19⅞	22	19¾	21⅜
Foster-Wheeler Corp	10	28¼	37¾	25⅛	30⅝	27¼	30⅜	28	34	31⅛	32¾	31½	36½	32½	37⅞	34¾	37½	35¼	37⅝	33¼	39⅛	32⅜	36⅛	32½	35⅛
Francisco Sugar Co	*	8⅜	12	10⅜	11⅜	10⅜	12⅛	10¼	11⅞	10⅞	12⅜	11¼	12¼	11¼	12⅜	10⅝	12¾	12½	15	11⅝	13⅞	10⅞	12½	9½	12¼
Franklin Stores Corp	1	10¾	11	10¾	11⅛	10¾	11½	11	11½	11¼	11¾	11⅜	12⅛	12	12¼	12	13	12⅝	13⅛	13	14½	13⅛	14¼	13⅝	15½
Freeport Sulphur Co	10	67¼	69	71¾	79¼	71½	84	77¼	83⅝	83¼	92½	88¼	91½	88	98½	92	101⅛	91½	98⅜	91¼	101½	95¼	107½	95	103
Fruehauf Trailer Co	1	9¼	12⅝	11	13⅛	11⅛	12⅞	11⅜	12¼	11¼	12⅜	11⅛	11⅞	11¼	14	13⅛	14¾	14⅛	18¼	15½	17¼	15¾	18½	16⅜	20
4% preferred	100	54	62	60¼	63½	61	63¾	63	64½	59⅛	65	59	60½	59	65½	60⅛	65¼	60½	65½	64	65⅞	64⅝	66	65	70
G																									
Gabriel Co	1	7	7⅞	7⅝	8½	7½	8⅜	7⅞	8¼	7½	8⅛	7⅝	8⅜	7¾	9⅜	8⅞	11⅞	10⅛	12⅛	11⅛	12½	11⅝	14⅛	13	14⅜
Gamble-Skogmo Inc common	5	8¾	9⅛	8⅞	9¼	9⅛	9½	9⅜	10	9⅞	11⅜	10½	11⅛	11	13	12⅞	14⅞	13½	17⅛	15⅝	17⅛	16½	17¼	16½	17
5% convertible preferred	50	40¾	41½	41	41¼	41	42½	42½	43¼	42	45¾	44	45	45¼	48	45⅝	46	45½	46	43¼	45½	42⅜	43½	44	46
Gamewell Co (The)	*	20½	24	22¾	24⅜	23	23¾	23½	24	23¾	28¾	26½	29¼	28⅛	30¾	29½	32⅛	29⅝	31¾	29½	32⅛	28¾	31⅛	29	35

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Gardner-Denver Co	5	32	35⅜	33	35½	33¼	34⅜	33½	37⅜	37	38⅝	38	41½	39¾	43⅞	41½	43⅜	41	45	44¼	50¼	47¼	50⅜	48½	51¼
Garrett Corp (The)	2	27	33⅜	31⅛	35⅝	31⅝	34½	31⅞	34⅝	33⅝	39⅜	35½	40¼	38	44½	40¾	44	39¾	42⅝	38⅛	41¾	39¼	44¾	41⅜	45½
Gar Wood Industries Inc	1	3⅞	5⅛	4¼	4⅞	4½	5⅛	4½	5¼	5	5⅞	4⅞	5⅜	5	6	5¾	6⅝	5⅝	6½	5¾	7⅜	5¾	6½	5¾	6½
4½% convertible preferred	50	24¾	27	25	25½	26	28½	27¼	29	28¼	30½	27	28½	28½	31½	30½	33½	30	33½	32¾	34	31¾	33¾	31⅜	33¾
General Acceptance Corp	1	14¼	15½	15¼	15⅞	15⅛	15¾	15½	15⅞	15⅜	15⅞	15	15⅝	15½	16⅛	16	16½	16	16½	15¾	16⅜	16⅛	17⅜	16¾	17½
General Amer Industries	1	3⅝	4¼	3⅝	4	3⅝	3⅞	3¾	4	3⅝	3⅞	3¾	4	3¾	4⅜	4⅛	4½	4⅛	4⅞	4½	5	4⅝	7⅜	6¼	7¾
6% conv preferred	50	—	—	55	55	—	—	52½	53	—	—	—	—	52¾	53⅛	—	—	55½	56	—	—	60	67½	65	67½
General American Investors	1	26¾	30	28	30	27¾	28¾	28	29⅜	28⅝	29½	28⅞	30¼	29⅛	32¼	31⅜	33	32¼	36½	33¾	35⅜	34¼	36⅜	32½	36⅞
$4.50 preferred	100	96¼	99¼	99¼	101	90½	100⅜	99⅞	102	99¾	101½	99¾	101	99	101	96½	99⅞	95	96½	94⅜	95¼	95⅛	97½	95⅛	96½
General American Oil Co of Texas	5	25⅜	29	24¼	29	25½	30⅜	26¾	28⅞	27¾	33½	32⅝	35¾	33⅛	36¾	35¼	39⅜	37¼	40½	35⅜	39½	36	39¾	32¾	36¾
General American Transport Corp	2.50	69½	72½	70¾	75¼	74½	79½	74½	78¾	78¼	84	82	85¾	83	93¼	89	94¾	91¼	93⅞	92¾	100¾	100	109	101	117
General Baking Co	5	9⅜	10⅛	9⅞	10¼	10⅛	11½	10⅝	11¼	10½	11	10¾	11⅛	10⅞	11¼	11⅛	12	11½	12½	11¾	13¼	12¼	14⅛	12¼	12⅞
$8 preferred	*	125	132	131	134	134	139	137	139	138	140	136½	139½	138	140	139	141	135½	141	138	141	138	141	137½	141
General Bankshares Corp	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16	17½	16¾	17⅛
Ex-distribution		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7	8½	8	8¼
General Bronze Corp	5	19⅛	21⅞	21¾	25½	23⅞	28¼	26	28⅜	26⅛	28	26¾	28⅝	27⅛	31⅜	27½	30⅜	29	30⅛	28⅜	34⅜	33⅞	38¼	33⅞	37½
General Cable Corp	*	30¼	34¼	31¼	34⅝	31⅜	33¾	30⅛	31½	31¼	34¼	33½	36¼	32¾	36⅜	35¾	37¾	36¾	40⅜	37	39⅞	37¼	39⅞	40	43½
4% 1st preferred	100	75	83	82	83½	79	83	77	81	82	90	89	93¾	90½	93¾	88	90½	82	86	80	85	81	83	80	83½
General Cigar Inc	*	48	50½	48	50¼	48⅜	50½	50	51½	50	52¾	49	52⅞	51⅞	68	62½	66	64	70	68¼	72	68½	72⅞	70	74⅞
General Contract Corp	2	11½	12⅜	12	13	12	12¾	12½	13⅝	13½	15⅛	13¾	14⅜	13⅞	14¾	14⅛	16	15½	16½	15¾	16¾	—	—	—	—
6% convertible preferred	10	10⅜	11⅛	11⅛	11⅝	10⅞	11¼	11¼	11½	11¼	11¾	11⅜	11⅝	11	11½	11⅜	12¼	12	12⅝	—	—	—	—	—	—
General Contract Finance Corp	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	8¾	9⅜	9	9¼
General Controls Co	5	16⅜	19⅝	15¾	19½	14¼	15⅞	14	15	14½	16¼	15⅝	17⅜	15⅛	16⅞	16⅛	18⅝	17⅛	19¼	19¼	21⅜	19¼	26⅛	24½	29⅜
General Dynamics Corp	1	59⅝	65¾	59½	63⅛	55¼	60⅜	55	58½	55	58	56⅞	59⅜	56⅛	61⅞	59⅛	62¾	58	62¾	57	62⅜	60	66⅝	61⅜	67¼
General Electric Co	5	60½	64¼	59⅜	64¼	59⅞	62⅝	57	60⅜	58	60⅞	57¾	60¾	58¾	64⅜	62⅞	64⅞	63½	68¾	64¼	68⅜	67⅜	71¼	69⅜	79⅜
General Finance Corp	1	19⅜	21⅝	21⅛	24	23	23½	23	24	24¼	25½	25¼	25½	25¼	25⅞	25¾	27¼	27¼	27⅞	27¼	27⅞	27⅞	29¾	29¾	34½
General Foods Corp	*	48	53	52½	57	52½	57	54⅛	57¾	56⅝	59⅝	58½	64¼	62½	69	64½	69⅝	66⅜	71	64½	69	67¾	77	73¾	79½
General Instrument Corp	1	4⅝	6	5⅛	6	5⅛	6⅞	5⅞	7⅜	7⅛	9⅛	8⅜	9⅜	7⅞	8⅞	8⅜	9⅝	9¾	10¾	9⅞	11⅜	11⅛	20⅛	17⅛	22⅝
General Mills Inc	*	60¼	67	63¼	68¾	67	70	68¼	75	74	77¼	72¼	79¾	77⅛	80½	78	85	79⅝	82¾	80	85⅞	78⅞	87	82½	89½
5% preferred	100	113	116½	114	115½	112¾	115	112	115½	114½	116¼	113½	117	112½	115½	106¾	113	105	108½	105	109	108½	111	107	111
General Motors Corp common	1⅔	33¾	36¾	33⅞	36	34	36⅛	34⅜	38⅜	37⅛	39¼	38⅜	40⅛	39⅝	44⅝	42¾	45⅜	43⅛	49⅛	46¼	50¼	46⅝	52	46⅝	50¼
$5 preferred	*	112¾	117½	114¼	116	112½	114½	113	116¾	114¾	116¼	113¾	116¾	113	116	108¾	114½	106¾	109	105½	108½	107	110⅝	107½	109¼
Preferred $3.75 series	*	87½	92¼	89½	90½	89½	90¾	89	91½	90	91⅜	90½	92	87¼	90½	83	88½	83¾	86	83¼	86¼	83¼	85½	83	85
General Outdoor Adv Co Inc	15	34	35¾	34¾	36⅞	36	38¼	37	38⅝	34⅜	36½	35⅛	37	36	38	37	38½	36½	41⅜	38¼	39½	38⅛	40⅞	40½	44
General Portland Cement Co	1	48½	61½	60	63¾	60½	63⅞	60	63¼	61¾	65¾	66	68½	67½	72½	69½	75½	73¾	78⅞	76¼	83	79½	87¼	77¾	82½
General Precision Equip Corp	1	34¼	41	37¼	40½	36	38½	29½	36⅝	28⅝	32⅛	28½	35¼	29⅞	34	27	33⅞	27⅜	30¼	28⅝	32¾	29⅛	32¼	30¼	36⅛
$1.60 convertible preferred	*	28½	30¾	30	31½	30¼	31¾	30	30¼	27	28½	27½	28	27½	29½	28⅜	30	30¼	31½	30½	31¼	29	30¾	29¼	30¼
$3 convertible preferred	*	44¾	51½	50½	52½	49½	51	49	51¾	48½	50½	49½	52¼	50¾	51⅞	47½	51⅞	47½	50⅜	49¼	50⅝	48½	50	48½	52⅜
General Public Service Corp	10c	4	4⅜	4¼	4½	4⅜	4⅝	4½	4⅞	4⅞	5	4⅞	5	4⅞	5	4⅞	5⅛	5⅛	5⅜	5⅜	6	5⅜	6	5¼	5½
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7/32	5/16	7/32	1/4
General Public Utilities Corp	5	37⅝	40⅛	39¼	40⅞	40⅛	42¼	41⅛	43⅞	43⅛	45	43⅛	44⅞	42¾	45¾	42⅞	44¾	43⅝	45¾	42¾	45⅛	44¾	48¼	46¾	50⅛
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	5/16	31/64	—	—
General Railway Signal Co	6.67	22	24¼	22	23⅝	22	23½	21⅛	26	25½	27½	26⅞	29⅞	28	30½	28	31⅛	27½	32⅝	30	32⅞	31¾	37⅜	35	38⅞
General Realty & Utilities	10c	15⅛	16⅛	15¼	15½	15⅜	16⅜	15½	17¼	17⅜	22	19¾	22½	20⅞	23⅞	22⅜	24¼	22⅝	24⅜	22¾	23⅜	22¼	23	20⅝	23½
General Refractories Co	10	32½	36⅜	34⅛	37½	34½	36	33	36½	33⅛	35⅜	33¼	36	34	39⅞	37¾	41	39⅝	45⅝	43	47⅜	43¼	48⅛	43¼	47⅝
General Shoe Corp	1	20¼	24¼	23⅛	24¾	22	23⅜	21⅛	22⅞	22⅛	24¼	22⅛	23⅛	22½	24¾	22¾	24⅝	24½	27¼	24⅜	26⅞	25⅛	27	26	27⅜
General Steel Castings Corp	1	17½	20¼	19⅝	20⅞	19⅞	20¾	19½	22	21	22½	22	24⅜	22¼	26	25½	26¾	25⅝	28⅜	24¾	27⅜	25⅛	27⅝	24¾	26⅝
General Telephone Co of Florida—																									
$1.32 preferred	25	—	—	—	—	—	—	—	—	—	—	—	—	26½	27¾	25⅞	26½	—	—	26⅜	27½	27⅜	28	27	27½
$1.30 preferred	25	—	—	—	—	—	—	25½	26½	26	26	—	—	27	27	—	—	27½	27½	—	—	26¾	26⅞	26¾	27
General Telephone Corp	10	40⅜	43⅝	41⅞	43½	41¼	43⅝	42⅜	46½	45⅝	48¼	47½	50¾	49⅞	53⅜	50¼	53¼	51⅛	52½	51⅛	53¾	53⅝	59½	55¾	63
General Time Corp	10	16⅝	19½	19⅜	21⅝	20¾	21⅝	18¼	21⅛	18⅝	19⅞	19¼	22½	20	21⅞	21⅞	24⅜	23	25½	23¼	24⅞	23	26⅞	26⅛	34½
General Tire & Rubber Co	83⅓c	27¼	30	25⅝	29	24¼	27⅞	22¼	24⅜	22¾	25¼	24	26⅛	23¼	27⅛	26	28½	26¼	27⅝	25¾	33⅜	32	45⅞	41⅛	50¼
4¼% preferred	100	—	—	83	90	—	—	90	90	90	90	—	—	90	90	90	90½	90	90	—	—	—	—	—	—
4½% convertible preference	100	158¾	164	152	154½	138	156	129	138	133½	137	139	143	135½	150	149	160½	148½	157	151¾	188	185	251	243	275
$5 preference	100	79	84¾	82½	84¾	84	86	84¾	89	85¼	87¾	83½	87½	85½	89¾	87¼	89¾	86	91	86	88⅞	87	91	88	90⅞
5½% preference	100	84½	92¼	91	93½	91¾	93½	91	94¾	92½	94	94	97	93	95½	94½	96	93	96½	92⅝	97¾	97	98¾	95⅝	99
Georgia-Pacific Corp	1	26⅝	30¼	28	30⅞	27⅛	33¼	31⅛	36	35	38½	36½	40⅛	36⅜	42⅜	41	45½	42⅝	46½	42⅝	47⅜	43½	48¼	45⅜	52⅜
Gerber Products Co	10	44½	51¾	47¼	51½	47⅝	48⅝	45½	48	44¾	50	46⅜	51½	51½	59½	55½	58¼	58	60⅜	55⅝	61	56¾	61¾	61⅜	64⅞
Getty Oil Co common	4	23⅛	27	23¼	27¼	23⅝	26⅞	24⅝	26¼	25¼	27¾	25⅝	27⅜	24	27⅜	25⅜	29¾	26	28¼	27	30¼	25¾	28⅞	25¾	27⅝
4% preferred	10	8	8⅛	7⅞	8⅛	8	9⅞	9¾	9⅞	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Gillette (The) Company	1	33¾	38	33½	36½	33¾	36¼	33¼	37¼	35¼	38⅛	36½	39½	38⅜	42	40¾	43¼	41½	45¼	42¼	49½	41⅜	44⅜	41¼	47¾
Gimbel Bros Inc	5	21⅝	25¼	23¾	25⅜	24⅛	26⅜	24¾	27¼	26⅛	27⅞	26⅞	28⅛	27⅝	29¼	27⅞	31½	30⅜	37	32¾	38⅛	36	38⅝	37¼	39½
$4.50 preferred	*	89½	91	90	90	90	90	90¼	91	92¼	94¾	93	94	—	—	91⅜	92	91	92	90	92	91½	92½	94	94¾
Gladding McBean & Co	5	16½	17¾	16⅞	18	15⅜	17	15⅛	15¾	15⅝	17½	16¼	17	15¾	17	16⅝	19¾	17⅜	19	16⅞	18⅝	17½	20½	19¼	24½
Glidden Co (The)	10	30	34⅞	33¾	34⅞	29¼	34⅝	28	30½	29⅛	31⅞	30⅛	34⅜	32	35¼	34	36¼	35¾	38¾	37⅝	40⅞	40⅜	46	43⅛	47
Goebel Brewing Co	1	2⅜	3⅛	2¾	3⅛	2⅝	3	2⅝	3⅛	2⅞	3⅝	2⅞	3⅛	2⅞	3⅛	2⅞	3⅛	2¾	3⅛	2⅞	3⅜	2⅞	3⅛	2⅞	3⅝
Gold & Stock Telegraph Co	100	157½	158	158	158	—	—	—	—	159	159½	159½	159½	165	175	165½	170	167	172	172	172	—	—	172	172
Goodrich (B F) Co	10	65½	68	60⅛	67¼	60½	67	55¼	60½	53½	58⅜	56½	60⅞	59½	70½	63¾	70½	66½	70⅞	66¼	73	69½	75½	70⅛	81¾
Goodyear Tire & Rubber Co	5	77¾	84⅛	69	78⅝	71¾	75¾	70⅛	76⅜	73⅝	77	76⅛	82⅛	82⅛	90¾	87½	91½	88⅞	95	93⅛	100½	98¾	114⅛	112¼	124¾
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Gould-National Batteries Inc	4	30	31⅝	30¾	32¾	30¾	32½	31	33	32¼	33½	32¼	34¼	34	35½	34½	36	35¾	37¼	35	38	38	39¼	35½	39
Grace (W R) & Co	1	41	43¾	41¼	42⅞	41½	44¼	42⅝	46¾	45⅛	48¼	45	46⅞	46¼	49⅝	47	49¼	43½	48⅜	44⅛	47⅜	41½	45⅞	42⅛	44¾
Graham-Paige Corp	*	1	1⅜	1	1¼	1⅛	1½	1¼	1½	1¼	1½	1¼	1⅜	1⅛	1½	1⅜	1¾	1⅝	2⅝	2¼	3	2¼	2⅝	2⅜	3⅛
Granby Cons M S & P Co Ltd	5	4¾	5⅞	5	6⅛	5⅛	6⅛	5¼	5⅝	5	5⅝	5⅜	7⅝	6⅛	7¼	6	6⅞	6¼	7¾	7	8⅝	6½	8	6⅜	7¾
Grand Union Co (The)	5	33⅝	36¾	35⅜	37⅜	37	41¾	39¼	43	39	42	42	46	44⅝	45⅞	44⅝	48⅜	47¾	52½	48⅞	51¾	46	52	46	49½
Rights		—	—	—	—	—	—	—	—	—	—	—	—	41/64	11/16	—	—	—	—	—	—	—	—	—	—
Granite City Steel Co	12.50	28¼	33	28⅝	30½	29⅜	31⅞	30	35	33⅝	36⅝	36	39⅛	38	48⅞	44¼	48½	46⅞	55⅛	53⅝	59¾	56¾	62¼	56	61¾
Grant (W T) Co	5	27⅜	29½	29½	33½	32⅜	35¼	33¾	34⅞	33½	35⅜	35¼	37⅜	36	38⅞	37	39½	34	38	36⅛	38¼	36	40	37⅜	41
3¾% preferred	100	78½	83	80½	82	79¼	82	79¾	83	83½	86	83	85½	85½	88	79	85	75½	78	75	78½	76¼	79	76	77¾
Grayson-Robinson Stores Inc	1	5⅞	6¼	6⅛	6¼	6¼	6⅞	6¼	7⅝	6⅞	8⅝	7	8	7⅜	8	7½	8⅝	8½	9½	8⅛	9⅛	8⅛	9⅜	8⅜	9⅞
Great Atlantic & Pacific Tea Co	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	46	59
Great Northern Iron Ore Prop	*	23⅛	24¾	22⅛	23⅝	22⅝	23¾	22	23¾	23⅞	27	24⅛	26½	25	28½	26	29½	26⅛	30⅞	27½	31	25¼	29½	24¾	27⅝
Great Northern Paper Co	25	48¼	52¾	39	49½	41¼	43⅝	37	41½	37½	42	42⅛	47¼	46	50	46½	53	52¼	61	49½	55½	47¾	54½	47¼	53½
Great Northern Railway Co	*	30⅜	35⅞	32	37⅛	32	34½	31½	36⅜	34	38½	34¼	37¼	36⅛	43¼	40¾	44	41	46	45¼	49¼	46⅜	51⅜	49¼	50⅜
Great Western Sugar Co	*	20¾	22⅝	22	23⅜	22⅛	23⅜	22¾	24⅝	23⅞	26¾	24¾	26½	24⅜	26¼	25¼	28¾	28	31¼	27⅛	30¼	26⅞	28⅞	27½	31⅞
7% preferred	100	131½	140½	137	139½	137¼	141	135⅝	140	136½	141	138	146½	137	141	138	141	136¾	139	133½	137⅞	133½	136¾	134½	136½
Green Bay & Western RR Co	100	70	75	68	70	—	—	67	69½	—	—	68½	71½	72	72½	72	72	71	72	—	—	75	77	77	77
Green (H L) Co Inc	1	22¼	25¼	23¼	25¼	24½	25⅞	24½	25⅞	25⅛	28¾	25⅛	26½	25½	27¾	26⅛	33½	31⅜	34	33¼	35½	34½	38⅝	36⅜	39⅜
Greenfield Tap & Die Corp	*	15¼	16	15⅜	16⅛	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Greyhound Corp (The)	3	14⅜	15½	15¼	15¾	15	15¾	15⅜	16⅞	15⅜	16¾	15⅞	16½	15½	16¼	15½	16¼	15¾	16⅜	15¾	16¼	16⅛	17⅞	17⅜	19⅛
4¼% preferred	100	81	86	85	86½	85	86	85	87	82½	87	80½	85	81½	85¾	81¾	84	81¼	84	82	83½	82	85½	86	87
Grumman Aircraft Eng Corp	1	17¾	20¾	17⅞	19¼	17⅜	20¼	19⅛	21⅜	20¼	23⅜	21½	24⅜	21⅛	23⅜	21¼	23⅝	20¾	23½	20¼	22⅜	20¾	23	22½	26¾
Guantanamo Sugar Co	1	9	10⅜	8	8½	8	8⅛	7⅞	8½	8¼	9⅝	9¼	10⅛	8¾	9¾	9	9⅜	9⅛	10¼	8⅜	9½	7⅞	8¼	7½	8⅛
Gulf Mobile & Ohio RR Co	*	14⅞	17⅞	14⅜	17½	14½	15½	14⅜	16	14	16	15¾	16¾	15¾	19⅜	18⅝	20½	20	25	21⅝	25⅛	24½	28⅛	23½	26½
$5 preferred	*	53¼	59¼	53	60¾	52	56¾	56¼	60½	59½	61½	60⅜	61	60	66½	64½	68½	64½	67½	65	70½	70¾	75	74	75¾
Gulf Oil Corp	25	103	111⅜	101	109½	104	111⅝	105¾	115	111	117⅜	113⅛	116⅞	108⅝	118⅜	109	114⅜	109⅞	117⅞	114½	122¾	116¼	125⅝	117½	129
Gulf States Utilities Co	*	39½	42	40¼	43¾	40	43½	40¼	43⅜	42¼	44¾	42¾	45⅝	45	47¼	44⅝	47⅞	45¼	50	47½	51½	50⅜	54¼	52¼	55¾
$4.20 dividend preferred	100	89	95	90½	94	—	—	92½	94½	93	96	93	96	90	93	88⅞	88⅞	84	86	84¼	86	84	86	84¾	87
$4.40 dividend preferred	100	92	96	94	96	94⅝	99	97	99	99	102	99	100½	98	102½	93	97⅞	91½	93½	90	94	90½	93	91½	94½
$4.44 dividend preferred	100	95½	95½	97	97	98	98⅛	—	—	—	—	99	100	—	—	—	—	—	—	—	—	—	—	—	—
5% dividend preferred	100	—	—	—	—	—	—	104¾	106¼	107½	109	105½	107½	104	105½	103½	104	99¾	100½	101	103	102½	103	102	103

H

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Hackensack Water Co	25	38¼	40½	39¾	40¾	38⅝	42½	41½	43½	43½	44½	43¼	46½	45	47½	45	46¾	45	47¼	43¾	46⅛	43	45½	44½	45
Halliburton Oil Well Cementing	5	54¼	58¼	53¾	58	51	56⅛	49⅛	57⅛	53	57¼	55⅜	62¾	61	66⅜	64¾	68	63½	66½	62½	66¾	60⅜	64½	60	63⅛
Hall Printing Co	5	20	21⅛	20¼	21	20⅜	21	20⅝	22¼	21¾	23	21	23⅛	21½	22¾	22	23¾	22⅝	26¼	24⅞	26	25¼	29½	25½	28¼
Hamilton Watch Co	1	14⅜	16¼	14¼	15	13¾	14½	14	14¼	13⅛	15⅜	13¾	14¾	13¾	15	14½	16	15⅜	19½	18⅝	23⅝	21	23¼	23	24⅞
4% convertible preferred	100	70	73¼	71½	72¾	72	72¾	73¼	74⅜	73	73¾	72	73½	72½	75	75	82	78½	83	83	94	87	94½	93⅜	99
Hammermill Paper Co	2.50	21¾	24⅜	21¾	24⅞	22	23½	22¼	23⅞	21¾	23⅝	23	25	23¼	31⅜	28⅜	30¾	29	33¼	28½	32¼	29⅛	32⅞	30½	33⅛
Hammond Organ Co	1	26¼	31¼	28¾	32⅛	27¾	30¼	27¾	29¼	28¼	29¾	28⅛	29⅞	30	32¾	31	34⅛	33	39	36¾	39⅝	38¼	41	39	40¼
Harbison Walker Refractories Co	7.50	30	32¼	30⅜	31⅜	31⅛	33⅝	31¾	33⅛	32⅛	35¾	35⅛	37½	35	37½	35⅞	39¼	39	42¼	39¼	42⅜	40	44⅝	40⅜	47¼
6% preferred	100	129	131	132	135	135	140	132	137	135	137	—	—	135	135	—	—	135	135	128	133	123	130	131	132

NOTE: All stock footnotes shown on page 17.

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STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Harris-Intertype Corp	1	24	25⅞	23¾	25⅛	24	25⅜	23	24⅞	23⅜	24½	24⅛	24⅞	24¼	28	26⅜	28⅜	27½	31⅞	28⅞	32⅝	30⅛	32¼	29⅝	32⅞
Harsco Corp	2.50	30	35⅜	31¼	35¼	32	35	30⅝	34⅜	34	38	34⅜	36⅞	35	40¼	37	39⅝	37¾	40¼	38½	41¾	38	42¼	38	44½
Harshaw Chemical Co	5	20½	23¼	20¾	22½	21⅜	22¼	20¼	21½	20¼	21⅜	20⅝	22⅜	21¾	25½	23¼	26¾	24¼	27	25	27	25	29¼	26⅛	29⅛
Hart, Schaffner & Marx	10	22½	24¼	23⅜	24¼	23⅝	25⅛	24⅝	26½	25⅝	26½	26⅛	27	26¼	28⅞	27⅞	30¾	29¼	34⅝	31	34⅝	31¾	36⅛	32⅜	35
Hat Corp of America	1	3⅞	4¾	4⅜	4¾	4⅛	4½	4¼	4⅜	4¼	5¼	5	5⅝	5	5½	5¼	6¼	5⅞	7½	6½	8	7⅛	8½	7¾	9½
4½% preferred	50	28¼	31	32	32	32½	34	31⅜	33	32⅛	33½	31¾	33	32¾	33½	33¾	34½	33	35½	35⅛	36	35½	37	36	38
Haveg Industries Inc	5	53	60	56⅛	66	61	70¾	65½	70	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
When issued		—	—	—	—	—	—	22	24½	24½	33⅝	29½	34½	29⅝	33¼	27¼	31¾	27⅝	30¾	27¾	34⅝	31¼	45⅝	40½	51½
Hayes Industries	1	14¼	14⅞	14¼	14¾	14	15	13	14⅛	13⅜	13¾	12¾	14¾	12⅝	13⅝	13⅛	13⅞	13	15¼	14⅜	15¼	14¼	15⅝	14⅛	15⅜
Hecht Co	1	22¼	25	24⅞	26	26	28	26½	28⅛	27⅝	30½	28⅝	30½	28⅝	30¾	30¼	31¾	31¼	34⅞	34¾	42	38⅞	40½	40	43⅞
3¾% preferred	100	72½	74	74	74	73¾	73¾	74	75¼	76½	76¾	76½	76½	76½	77½	76¾	76¾	—	—	76½	87	84	84	80	83
Heinz (H J) Co	25	43¾	49	46¾	49	47⅝	49⅞	49⅞	52⅞	52¼	55	54½	57	51⅜	55¾	52½	59¾	54⅛	57⅝	55¼	58	55½	67	62	66
3.65% preferred	100	87	89	88	89½	86½	89	86½	89	86½	88	87	88	84½	88	85	87	84	87	83½	84	83½	85½	84	87
Heller (W E) & Co	1	17⅜	20	19¾	20⅞	19¾	20⅞	20¼	23¼	22⅛	24½	22½	24¼	23	24	23	26⅛	26¼	27¾	26⅛	29⅛	27⅞	30⅜	29½	30¾
Helme (G W) Co	10	23½	25⅛	25	25⅝	25¾	28½	27	29¼	28¾	30	29	30⅝	29	29⅞	29	29⅞	29½	30⅜	29½	30½	30¼	31⅞	30½	33⅛
7% noncumulative preferred	25	32½	34¾	34¾	36	34¾	35¼	35	36¼	36¼	37	36¾	38	37¼	38	37⅜	37⅜	36¾	38	36¾	37½	37	37	35¾	37
Hercules Motors Corp	•	10⅛	10⅞	10	11⅝	10½	13½	12⅝	14½	14	16	14	16½	14½	16½	15⅞	17⅛	15¾	17⅛	16⅛	18⅝	17¼	19¼	16	18
Hercules Power Co	2 1/12	38¾	41½	39	41¾	38⅞	40¼	38½	40⅞	38¼	41½	41	45¼	42	46¾	45	47¾	45⅝	49	45⅝	55	49½	61	55	60
5% preferred	100	113	116½	113	115½	112¼	114	113	118	116	117½	116	118	117	117½	110	116	110	111½	107¼	112	107¼	111	110	113
Hershey Chocolate Corp	•	53¾	59	54¼	57¾	55½	57	56¾	61	58⅜	61½	59	60½	58¾	60¼	59⅝	64½	64	67½	63½	67½	64½	70½	65½	69¾
4¼% preferred series A	50	47½	48¾	48½	50	49	49½	48¾	48¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Hertz Co (The)	1	37¼	43⅝	39⅞	44¼	37⅛	42⅝	36⅛	37⅞	36⅜	40¼	37⅞	39⅝	36½	39⅜	37	39⅜	36⅝	39½	38¾	42¾	42⅜	47¾	46½	55¾
New		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	35¾	36⅝
Hewitt-Robins Inc	5	26¼	28¼	26½	30½	26½	30	28¾	31	29⅝	30¾	29	30	27½	30⅜	29½	33½	32	34	30¾	33¾	32⅛	35½	33	35
Heyden Newport Chemical Corp	1	11⅛	13¾	12	13⅞	12⅜	14¼	12½	13⅜	12	13⅛	11¾	13⅜	11⅝	13¾	13¼	14¾	13⅝	15¾	12⅛	15½	12⅜	13¾	12¾	14¼
3½% preferred series A	100	60	66½	66	68	67	68	69⅛	73	72⅜	74⅛	70	73½	67	72	66	68½	66½	68	65½	68	66½	67	63½	66¼
4⅜% convertible 2nd preferred	°	74	80	83	85	81½	83¼	82½	84	83½	86	83	85	81⅜	83½	81⅜	85	83	87	84½	88	86	88½	84	87
Hilton Hotels Corp	2.50	16⅛	19⅞	17⅝	19¼	18¾	20⅛	19⅛	21	20⅞	23	21¼	22⅞	21⅝	23⅞	22⅝	24⅞	23¾	29⅛	25½	28⅜	27⅞	32½	29¾	33⅝
Hires Co (C E) The	1	9⅛	9¾	9½	10⅛	9⅞	10⅝	10	11⅛	11¼	12⅛	11⅜	12⅛	11⅞	12½	12	13½	12⅞	13⅝	13⅛	13¾	13½	14⅝	14	15¾
Hoffman Electronics Corp	50c	21	23¾	21½	23⅝	22⅝	25⅜	23¾	26⅝	25⅝	27¾	27½	29⅝	26½	29¼	26½	30⅞	28¾	30⅝	27⅜	29⅞	29⅜	40¼	36⅝	45⅝
Holland Furnace Co	5	9⅝	11⅜	9⅝	10⅜	9⅝	10½	9¾	11¼	10⅜	10⅞	10¾	11⅞	10⅞	11⅝	11	12⅛	10⅞	11¾	11¼	12¼	11¼	12¾	11⅝	12½
Holly Sugar Corp	10	17⅛	19½	19	19⅝	19⅛	20¼	19¾	20⅞	20	22½	19⅞	21¼	20⅛	21½	21	22⅛	21⅜	23⅜	21¾	23⅛	21	22	21½	25¾
5% convertible preferred	30	25½	27	26¾	27½	27½	28½	27	28⅜	28⅞	30	27¾	28¾	28¼	29¼	27⅛	27¾	27⅛	28¼	27½	27⅝	27½	28⅜	28½	29
Homestake Mining Co	12.50	32¾	37⅞	36⅝	40½	37⅝	38⅞	38⅝	44⅜	41¼	45	40⅞	44	39⅛	44⅛	38¾	40½	39	41⅛	37½	39⅞	37¾	43⅜	39¾	47¾
Honolulu Oil Corp	10	43	46	39¾	45	42	47½	46	51⅜	48¼	50½	49¼	54	51	58	54¾	58½	57½	64	60	64¼	62¼	66¾	62¾	67½
Hooker Chemical Corp	5	24	27⅝	25	27¾	25⅜	28	23½	26⅜	25⅞	30¼	28	31	29½	34⅛	33¼	37⅛	33⅜	37	34	37⅝	36¾	39⅜	34⅝	39⅝
$4.25 preferred	°	89	92	89	90	88½	89	87½	90	91½	91½	91	92	89	92	88	90	85	87	86	87¾	85	87	85½	87
Hotel Corp of America	1	3	4	3¼	3⅞	3⅛	3⅜	3⅛	3¾	3⅜	4	3⅝	4½	3¾	5¼	4¾	5⅞	5⅜	6⅝	5¾	7	6⅛	8½	7	8⅜
5% convertible preferred	25	19	23	21	23	19	20½	19½	22½	22⅛	23	22	22¾	21¼	24	23	25¼	25¼	28¼	27	28	27½	29¼	26⅝	28½
Houdaille Industries Inc	3	17½	19	15⅞	17⅞	16⅝	18½	16¼	17⅞	16⅛	16¾	16¼	17¾	17	18¼	17½	18⅞	16¾	21⅜	18¾	20	18¾	23¾	19⅝	23¾
$2.25 convertible preferred	50	36¼	37¾	36⅞	38⅛	37¼	38⅛	38⅛	38⅞	37¼	38⅛	37½	38⅜	37¾	38⅜	38	38½	37¼	38¾	37	38½	38½	39¼	39¾	41¾
Household Finance Corp	•	27½	29⅞	29⅝	32½	31¾	35	33½	37	34	35¾	34⅛	36	35⅝	36⅞	35¾	37¾	35⅝	39½	35⅞	38	33	38¾	34¼	37⅝
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¾% preferred	100	80	82¼	80	83	79	81½	78	80	79¾	82	81	84	81	82¾	79	81	75¼	78	76	79	76	77	74¾	77
4% preferred	100	86	87½	84	89	84	86	84½	86	85½	88	88	90	88¼	88½	89	89	81¾	87	81¼	85	81¼	83	81	84
4.40% preferred	100	93½	93½	92	93½	93½	95	93¾	95½	97	97	95⅛	96¼	94⅜	96½	96¾	97¼	93¼	96¾	94	96	94	95	96¼	96½
Houston Light & Power Co	•	54	57	54	57¼	54	56¼	54	56¼	53½	57⅞	52½	56	55⅝	60	57¾	60	58½	63½	63½	68½	68	75	69¾	74¾
Howard Stores Corp	1	8½	9½	8⅞	10	10	10¼	8½	10	9⅜	10	9¼	10¼	9	9¾	9	10½	9¾	10⅞	9⅞	11⅞	10	11½	11	15⅜
Howe Sound Co (Delaware)	1	5¾	7⅜	6⅝	8¼	7	9⅛	7⅜	8¼	8⅛	8¾	8	8½	7⅞	9¼	9⅛	10⅛	10	11⅞	10¾	13⅜	11½	13	11⅝	14⅝
Hudson & Manhattan RR Co	100	1⅛	1⅞	1⅝	1¾	1⅜	1⅝	1	1½	1¼	1⅜	1¼	1¾	1⅜	1⅝	1½	2⅜	1⅞	3⅛	2	2½	1⅝	2⅛	1⅜	2⅛
5% non-cum preferred	100	4½	6¼	4½	5½	4¼	5	3¾	4½	4	4½	4	5¾	4	5	4¼	6¼	5¼	7⅝	5½	6⅝	5	6¼	3⅛	5¾
Hudson Bay Mining & Smelt Co Ltd	•	43	46	41⅞	46	41¼	47	40¼	44	41	44¼	44½	49⅞	47⅝	52⅞	50⅜	53½	51½	54¼	53¼	63	58	61¾	57	60½
Hunt Foods & Ind Inc common	5	13⅝	14⅞	13¾	16	15⅛	16	15½	16	15¾	17⅞	16½	18⅜	17¼	18⅜	16¾	17½	16¼	18¼	17¾	18¾	17¾	20¼	17¼	18½
5% preferred series A	100	72½	77	77	78½	74⅝	77	77½	84	79¼	83	82¼	85	83	85½	85	87	83	85¾	82¼	84½	83¾	85	85	87¼
Hupp Corp	1	2½	3	2⅝	3¼	2½	3⅛	2⅝	3¾	3⅛	4	3½	4¾	4⅛	5⅜	4⅜	5	4⅜	5¼	4⅝	6¼	5⅛	6	6¼	6⅛
5% convertible preferred series A	50	20½	23	22½	24½	22	23¾	21¾	27	25⅝	29⅜	28¼	30¼	28⅝	33¾	29⅞	32⅜	29¾	32¾	30⅝	34⅞	32¼	34¼	34	38¼
Hussman Refrigerator Co	5	13⅝	16	14½	16½	14⅝	16⅜	14¾	16¼	14⅜	15½	15⅛	16½	15⅞	19	17½	19	18	22	21⅛	23⅜	21	23¾	20⅝	24⅛
I																									
Idaho Power Co	10	35½	38	35¼	37½	36	37¾	36⅞	40⅜	40	42¼	39⅞	42½	39¼	42⅝	42¼	44⅞	43⅜	47⅞	43¼	47¼	42⅜	45½	42⅞	50
Ideal Cement Co	1	51⅞	63	59¾	63	60⅞	65¾	62	64⅜	61⅜	66⅛	65¾	68⅜	65¾	70¾	68¾	73½	73	78¼	75¾	85½	83½	90½	89¾	96
Illinois Central RR Co common	•	28⅛	31¾	30⅛	33⅜	29¾	32⅞	28½	32	31⅛	34¼	32⅝	35¼	33¾	38⅞	37¾	40½	39⅛	44⅜	42¾	47⅛	43⅜	49½	46¼	50⅞
Illinois Power Co	15	29¼	32⅜	30½	32½	30	32¼	31¾	34	32	34	32	33⅜	33	35½	31½	35½	31¼	32⅞	31¼	34⅜	33½	37¼	35⅛	38¾
4.08% preferred	50	45½	47½	44½	46½	44	45½	45	45½	45	46	45½	45½	42½	44⅜	43	43	43	44½	40½	42½	41	42	41½	43⅛
4.26% preferred	50	—	—	—	—	45	45½	45½	46¼	46¼	46¼	47	48	46	46½	46	46	43	44½	42	43	43	43½	42½	43½
4.70% preferred	50	49¼	52½	—	—	50½	50½	50	51½	51	52	50¾	52¼	49½	50½	48½	49½	49	49½	48½	50	48	48½	47	48¾
4.42% preferred	50	—	—	47½	48½	—	—	49½	50	50	51	49½	51	51	51	51	51	47	48	—	—	—	—	45¼	46
4.20% preferred	50	44¾	46½	47½	47½	—	—	—	—	—	—	47	47	44⅜	46	—	—	—	—	—	—	—	—	42½	44
Indianapolis Power & Light Co	•	29¼	32½	31⅛	32½	31¾	33	32⅛	32⅞	31½	33¾	31⅝	33⅛	32⅝	36	33¼	36	33½	34½	33½	35⅜	33⅝	38½	35	37¾
Industria Elec de Mexico S A	100 pesos	6⅞	7⅛	7	7½	7	7½	6¾	7¼	6¾	7⅜	6⅞	7¼	7	7⅜	7⅜	7¾	7⅜	7⅝	7⅝	8⅜	7¾	9⅜	8⅛	8⅞
Industrial Rayon Corp	1	14	17½	14⅜	17¼	14⅝	19	16¼	18⅞	16⅝	19	17⅛	19¼	16¾	20¼	19¼	21⅜	19¼	24¼	21⅛	23½	21⅜	24¾	20½	23½
Ingersoll-Rand Co	•	65	73	66½	71	67	78½	72½	79⅞	74	79½	72⅜	75¼	73½	81	77½	82½	82¼	88¾	88½	94¼	91	101	93	98¾
6% preferred	100	—	—	158	158	—	—	157½	158	156	158	159	160½	162	162	160	160	—	—	—	—	158	160	158	158
Inland Steel Co	•	73	81½	79	86	81½	85¾	78	84½	84¾	89⅞	86½	89⅜	89¾	100¾	98½	104¾	101⅛	119	113	122	119	135½	128	146
Inspiration Consol Copper Co	20	25⅝	30¾	28	32¼	27½	36¾	30¼	33½	29⅜	33⅜	30⅛	34¾	29⅝	34¼	31⅝	36⅞	32½	36⅛	35	43	36½	41¾	35½	38½
Insuranshares Certificates Inc	1	22½	24	23¾•	24¼	24	24½	24	24	24	24	23¾	24¼	23¾	24¼	24	25¼	25	26⅛	26	29	28	29⅛	29	29½
Interchemical Corp	5	37½	39¼	38	38¾	38¼	41	37	40	37	39¾	39	43¼	41⅛	46½	45¾	51	49	54½	50¾	55½	53¾	58½	56	61¼
4½% preferred	100	86⅜	88½	87½	89½	88	89½	88	90	89½	92¼	91	92	88	91¾	88	91	86¾	90	86	88	87	92	89½	94
Interlake Iron Corp	1	19	22⅝	20¼	22⅝	20⅜	22	18¾	20¾	18⅝	20⅜	18¼	20¼	18⅜	22⅜	20½	22⅜	21¼	26½	22½	26	23	25⅜	23¼	25⅜
International Business Mach	5	300	324	321	340⅛	328¾	351¾	332	354	347	357	348	374	351½	370¾	366	377½	371	410¾	404	454½	428	448	448	452
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
International Harvester Co	•	27	31	29¾	31⅜	28½	31⅜	28⅛	31¼	31⅜	35⅛	33⅝	36	34¼	36½	36	38⅜	36½	38⅜	37⅛	39½	38⅜	42⅞	39½	44
7% preferred	100	151	159½	149	157	148½	153	151¼	158½	154½	159¼	158½	166	151	160½	147¾	151½	145	148½	143	149	145	146¾	145¼	147¾
Internat'l Mineral & Chem Corp	5	26¾	29¼	27¼	29⅝	27⅝	30¼	27	28¾	26⅞	28¾	26½	29⅜	26⅜	28⅝	28⅞	32	31	33¾	28⅝	31⅞	28⅝	30⅞	27⅜	29⅝
4% preferred	100	68½	73	73¼	73¼	71¾	74	74	74	74¾	77	75½	78½	77	77½	76	77¾	76½	76½	70½	76	70⅛	73	71½	72
g International Mining Corp	5	—	—	—	—	—	—	—	—	—	—	16	18⅜	17⅝	19	17¾	21¾	17¾	21⅛	18⅛	20⅝	17⅜	18⅞	17	20½
g Name changed from Nat Department Stores Corp.																									
International Nickel Co of Can Ltd	•	70⅞	74⅜	72½	76⅞	72¾	79¾	71⅞	75¼	72¼	76¾	76½	82⅜	75¼	83½	81½	85¼	82⅛	87⅞	84½	95	83⅜	91¼	85⅛	89⅜
International Packers Limited	1	7	8⅜	8½	10	8⅝	10	9⅜	11⅛	9	10⅜	8¾	9⅞	9½	10½	9⅞	10⅞	9⅝	10¾	9¼	10⅜	9⅛	10⅛	9½	13⅛
International Paper Co	7.50	85⅜	92¼	85¼	94	86¼	92½	87¼	93⅜	93¼	97¼	96¼	99⅞	98	104⅞	103	108⅝	107¾	115½	111½	117⅜	110⅞	122½	112½	117⅝
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
$4 preferred	°	92	96	94½	95	93¼	93½	92½	94	93	95¼	94½	96	92½	96½	90¾	92½	88	91	88	94	89½	93	90	92
Internat'l Rys of Central America	•	7⅜	12	10	13⅝	9⅞	12	10	11⅝	10¼	12	9½	10⅝	9⅞	12⅜	10¼	11½	10⅛	11⅜	9¾	11	10¼	16½	12¼	16⅜
5% preferred	100	57½	68½	65	71	61	66	59¾	67½	62½	66	60¾	66	60½	66½	60½	63	60⅝	62⅞	58⅝	62	61	69½	59⅝	67
International Salt Co	•	100	105½	103	112	108½	114	109¾	112	110	112½	110½	120	118	123	124½	134	124½	135	130	135½	125	134	126	136
International Shoe Co	•	34⅛	35	34⅜	36½	35¾	37½	36	38¼	38¼	40	33¼	39⅜	32½	33⅞	33½	34¾	33½	35	33½	34⅝	33⅝	34⅝	33¼	34¼
Internat'l Silver Co (The) (Conn)	25	25	32¾	27¼	31¾	25⅝	30½	28⅜	30	28¾	33¾	31⅞	37¼	33¾	36¾	35	39¾	36	37½	36½	41½	37½	40¾	36	39
7% preferred	25	28	30	30	31	29½	31⅞	30	30¼	30⅛	31	31	32	31	32	31	32	32	34	32¼	35½	32	34	34½	35½
International Tel & Tel	•	29¼	31⅞	29⅜	31¾	29¼	33¼	31⅝	34⅝	33½	35⅜	34⅞	38⅝	36½	39⅞	38⅜	44¼	42⅜	48¾	46⅝	54⅞	51⅜	57½	53⅛	65⅜
Rights		—	—	—	—	—	—	—	—	1/64	31/64	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Internat'l Utilities Corp	5	21⅞	26	24	26⅝	23¾	27⅛	23½	27⅛	26⅜	28⅜	27	29	26⅞	29	26¾	29⅛	28⅞	31⅝	29½	33¼	29	31¼	29	30⅞
Interstate Department Stores Inc	1	22½	24	23¼	24½	24¼	27⅜	24⅛	26	22	26	22⅝	24¾	24⅛	27¼	25⅜	30⅛	27	29¼	27¾	30⅛	28⅛	30½	29¼	33⅜
Interstate Power Co	3.50	13⅛	14⅛	13¾	14⅝	14¼	15	14⅝	15¾	15¾	17⅛	16⅝	17¼	16⅝	17¼	16¾	17¼	16	17⅛	16¼	18	17½	18½	17⅛	19
Iowa Electric Power & Light	5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	33¼	35⅜	32½	33⅞	31⅜	32⅞	31⅞	34¼	33	34⅛
Iowa-Illinois Gas & Elec Co	1	31	34	31	33⅛	32⅞	34¾	34¼	35⅞	35¼	37¾	35¾	38½	36	37	34¼	36½	34	35⅛	32⅝	33½	32⅜	34¼	36¼	37⅛
Iowa Power & Light Co	10	27¼	28½	27⅝	28½	28	29	28½	31	30⅝	32¾	31¾	33½	32⅜	34¾	31¼	33⅜	31⅛	33	35⅛	37	35⅜	36½	32	34¾
Island Creek Coal Co	50c	29¼	31½	31⅝	34¼	30½	37¾	30¾	34¾	32⅝	36⅜	36	39	35¾	42½	40	44¼	39½	43½	39¾	43	41½	44⅞	38	42⅞
$6 preferred	100	118	122	122½	123¾	120	122	118½	124¾	122	122½	—	—	123	126¾	122	123	122	124	118	120	120	122	118½	121
I-T-E Circuit Breaker Co	5	39⅜	41½	36⅛	39½	36⅛	38½	36⅜	38	37	38¼	37	38½	37½	41¾	39¾	42	40½	41½	40½	42⅜	34¾	41⅜	35¼	38¾

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
J																									
Jacobs (F L) Co	1	4⅞	5¼	4¾	5¼	4¾	5¾	5	6⅜	5¾	7⅛	6	7⅛	5⅞	6⅝	6	8⅛	7¼	8⅜	7½	9⅜	8¼	9½	7½	8⅜
Jaeger Machine Co	5	15¼	21⅛	17¼	19½	17¼	23¼	21	23¾	20	22	20	21⅝	19⅞	23¼	22¼	26	23⅛	26¼	20¾	24⅝	20¼	23	20⅞	23½
Jefferson Lake Sulphur Co	1	20¼	24⅛	19¼	24¼	20	27⅛	23¼	25¼	23¾	28½	27½	30⅝	28½	30¾	27¼	31	28	32¾	29¾	33½	29⅛	33⅛	27⅝	30¼
Jersey Central Power & Light Co— 4% preferred	100	82	85	83	85½	84	86	84	87	86	90½	84	88	83	86	84	88	85½	87	84	86¾	82½	87	83½	88
Jewel Tea Co Inc	1	57	62½	56	60⅝	59¼	68⅞	64	69¾	66	68¾	66½	71¼	71	77	76⅞	82¾	80	85½	85	93¼	87½	93½	90	93
3¾% preferred	100	88	88	87¾	87¾	87	87½	—	—	86	88	87½	87½	88	88	87	87½	87	88	85½	87	84	85	82½	85
Johns-Manville Corp	5	37¼	42	36⅝	40¾	37	39¼	34¼	37⅜	36⅜	39⅛	37	39¾	38⅜	44⅞	43½	47⅝	43¾	45⅞	43½	48⅞	46	51¾	48	52⅝
Johnson & Johnson	12½	85	92¼	88¼	93¾	88½	98½	94½	98½	94½	99	86	94¾	91	100¼	96⅝	100½	101½	110	106½	124	114	138	120¾	147½
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	53	56½
Jones & Laughlin Steel Corp	10	38	41⅝	37⅞	41	37¼	40¾	35	38	37⅜	40½	38¼	41½	39¼	49	46½	54¼	50¾	55⅝	52¾	59⅜	53⅛	59⅜	55¼	61
5% preferred series A	100	93¼	95½	93¼	97½	93	94¼	93¼	97½	96¾	99	98	90¼	97¼	99	97¼	99¾	97¼	99	97	99	94	99¾	96½	98¾
Joy Mfg Co	1	40	43⅛	39⅜	43	42⅛	44¼	40	43⅛	38	41½	38½	42⅜	38⅞	46½	42⅞	47⅜	46	50⅜	47	54½	44⅞	51	46⅛	49⅜
K																									
Kaiser Aluminum & Chem Corp	33⅓	23¼	25¼	23⅜	25½	23¼	29¼	23⅝	25¾	24⅞	27	25⅜	27¾	25	33¼	32	37⅝	33⅝	39⅞	38¼	47¾	38¾	45⅝	39⅞	45
4⅛% convertible preferred	100	68¾	89	78½	87½	78	82¼	73¾	77½	74½	80	79	81¾	78½	80¼	79	87	79¾	87⅛	88	94½	93	98½	90¾	95½
4¾% preferred	50	39¾	43¾	43½	45	43½	45¼	43	44	44	45	42	45	41	42½	41⅜	43¾	41¼	42¾	41¼	42¾	42	43	42⅜	44¼
4¾% convertible preferred	100	83	96¾	91¾	95¾	90¾	93½	86½	91¾	90	93¾	94¾	97½	94	97	97	100¾	93⅞	99⅜	99⅜	108	103	112	104½	112⅝
Kansas City Power & Light Co com	*	38⅛	41⅝	39¾	42	41½	42⅝	42½	44¼	43¼	45¾	44	46¾	42¾	46	43¾	46⅛	42	45½	45	49	47	48¾	47¾	50¼
3.8% preferred	100	81¼	85	85	86	83½	83½	85	85	85	85	84	85	82½	84	—	—	79	80½	78	80	79	79	78	78
4% preferred	100	90	91¾	—	—	88½	90½	90	90	90½	92½	90¼	92½	90	91	89	89	86½	88	85	86½	85½	88	88	89½
4.50% preferred	100	98	101½	98¾	101	96½	99	99	102	102½	103	101½	102½	97	101½	95	99	90½	93	90¼	94	94	95	94½	96
4.20% preferred	100	90	93	94	94	90	91½	93½	94	—	—	—	—	95	96	—	—	90	90	89	89	89	89	87	87½
4.35% preferred	100	93½	94½	95	96	94	95½	—	—	—	—	98½	99	96	99	93¾	95	91	91	—	—	89	90¼	88	90
Kansas City Southern Ry Co	*	50¾	56¾	55	60	58½	61¾	56¾	61½	63¾	71	66	69½	67½	76½	72½	75⅛	69	73⅞	73	79¼	79¾	88¼	78	82½
4% non-cum preferred	50	34	36	35¼	36½	35½	37	35	36	36¼	38	37¾	38	37	37⅞	37⅛	38½	34¾	38	34½	36¾	36½	38	37	38
Kansas Gas & Electric Co	*	29⅜	31	30¼	32	30⅝	31⅞	31½	34	34	37⅛	35½	36⅞	36¼	37¾	35	37½	34⅛	35½	35	36½	36⅛	40¼	37¾	42½
Kansas Power & Light Co com	8.75	25	26¼	26⅛	27¾	27	27½	26	27½	26⅝	28¾	28¼	29	26½	29⅛	26¼	27¼	26⅛	27⅛	26¼	27⅜	26¾	28¾	27¼	29¼
Kayser-Roth Corp	5	10⅜	15¼	11¾	16	11¾	12½	11¼	14¼	13½	14½	12½	13½	12⅞	14½	14¼	15⅜	14¾	17⅞	16	18⅜	16⅜	18⅜	16¾	18⅛
Kelsey-Hayes Co	1	30⅝	33½	30¼	33⅛	27½	32¾	25⅛	28¼	26⅞	30½	29	32⅜	31⅜	35¾	35¼	39	38	40	39	43¾	40	42	38½	42⅞
Kennecott Copper Corp	*	75⅛	82¼	78	84⅜	78½	91	81½	86½	81½	89⅜	87¼	94	86	95⅞	90⅜	100	91½	97⅛	95½	105¼	95⅝	102½	92½	98⅞
Kern County Land Co	2.50	33⅞	38	36⅛	39¼	36½	38½	38	42¼	41	46	43¼	50⅜	47½	53⅜	51¾	55¼	52¼	59¾	55¼	60½	58	66¾	59¾	65⅞
Kerr-McGee Oil Ind Inc	1	38⅝	44½	38	44⅜	38⅛	42⅝	39⅝	45⅜	43⅛	48⅜	46⅞	50⅛	46¾	51¾	46½	52¾	46½	50⅜	49	58⅛	52	60¼	51⅝	56⅞
4½% convertible prior preferred	25	20⅞	24	22½	24	22⅜	23⅝	22½	24¾	24	25⅝	24¾	26¾	25⅝	26⅞	25⅞	26⅞	24¾	26½	25⅛	28½	26½	29⅛	26¼	27¾
Keystone Steel & Wire Co	1	30	31½	30	31¾	30⅜	33	32	32⅝	32	33¼	32⅝	33½	32½	38	35½	37¾	37	40¾	40½	44½	43½	46¼	42	43¾
Kimberly-Clark Corp	5	46¼	49½	48⅜	51½	51	54	51¾	55½	54½	56½	56	57⅞	55¼	57½	56⅜	62½	60	67⅜	59¾	67½	62½	70¾	61	70⅜
King-Seeley Corp	1	25½	28	22¾	26	21	25½	19½	20⅜	19⅝	21¾	21½	25½	22¼	24¼	23⅞	24¾	24⅛	25⅜	24¾	26¾	25⅝	27⅜	25⅞	28¼
KLM Royal Dutch Airlines	100 G	25¼	29⅛	26¾	29¾	27⅝	29⅝	28	29	25⅝	29¼	26¼	27⅝	27¼	28⅞	25¾	28½	25⅝	26⅝	26⅛	27½	25⅝	29¾	26¼	28¼
Koppers Co Inc	10	34½	40	39	41¾	38⅜	43	36	37⅞	36	39¼	36¼	39½	36½	41	38½	42¼	40⅛	44½	40⅝	44¼	40⅝	45⅜	41¾	44¾
4% preferred	100	78¾	83¼	81½	83	80	82¾	79	82½	82	86	84½	85½	84½	86	80¼	85	78½	82	82¾	84¾	82	84	80	81¾
Korvette (E J) Inc	1	10	12¼	11	12¾	10¼	11⅝	9⅝	10¾	9¾	13¼	11⅝	15⅜	14	14⅞	13⅝	14⅞	14¼	15¾	14¼	17¾	14	16¼	14⅛	16¼
Kresge (S S) Co	10	22½	26	25¼	26⅜	25⅞	27	26½	28⅜	27⅞	29	28⅛	29⅛	28½	29¾	28	29	28¾	29½	28⅞	32⅛	30⅝	32¼	30⅝	32⅜
Kress (S H) & Co	10	24¼	29½	28	30⅝	29	33⅛	31¼	33½	32½	33⅞	32	33⅞	33¾	36⅞	34	37¾	34⅞	37¼	35⅝	42½	39½	43¼	38½	41⅞
Kroehler Mfg Co	5	18¾	19⅞	19⅝	20⅝	19¼	20½	19¾	20⅝	16¾	20	17¾	18⅞	17⅜	18¾	18¾	20¼	18⅝	20	19⅛	20	18⅛	19½	18⅛	22
Kroger Co (The)	1	61	65½	63¼	67½	65½	74⅜	70⅝	74¾	71¾	75¼	75	80	73½	78¼	76	80	79	94½	90	96	88¼	93	90¼	99¾
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	31	33¾
L																									
Laclede Gas Co	4	13¾	15⅜	15⅛	16⅜	16⅜	17	16¾	17¾	17¾	18¾	18¼	19⅜	18¾	19⅜	19	19½	19⅛	19½	19	19¾	19⅜	19⅞	19¾	22⅝
4.32% preferred series A	25	22¼	24¾	24⅛	25¼	25	25½	25⅛	26	26⅞	27⅛	27⅛	27½	27¾	28¼	28¼	28¼	28¼	28¾	28¼	28¼	28⅞	29½	29½	33½
La Consolidada S A American— Preferred	75 pesos Mex	3½	3½	3⅜	3⅜	3⅜	3½	3⅜	3½	3¼	3⅞	3⅝	4⅛	3¾	4⅛	3⅞	4⅛	3⅞	4	3¾	3⅞	3⅞	4¼	3⅝	4
Lane Bryant Inc	1	17	18¼	17½	18⅜	17¼	18	17½	18¾	18¼	19¾	18¼	19¾	18⅝	20½	19⅞	[illegible]	20¼	22½	21⅝	22⅞	21½	22½	22⅛	25½
Lee Rubber & Tire Corp	5	18⅛	20	19	19¾	18½	19½	18⅞	19½	18⅝	19⅜	19¼	21⅜	19¾	21¼	21⅛	22⅜	22	22¾	21¼	23	22⅝	24	23¼	25⅜
Lees (James) & Sons Co	3	25½	28¼	25	28	25⅞	27½	27	28¾	26½	29½	26⅞	28¾	27	29½	29	30¼	29½	31⅜	29⅞	36¾	34⅞	37	36¾	46¾
3.85% preferred	100	83	84½	85½	85½	86½	89	87	88½	86	86	86	86	85	87	85	86	—	—	86	86	87	87	86	86
Lehigh Coal & Navigation Co	10	10⅝	11¼	10⅜	11⅛	9⅞	10⅞	10	11	11	12¼	11⅛	12	10½	11⅝	10¼	11½	10¼	11¼	10⅛	11	10	11½	10	10⅞
Lehigh Portland Cement Co	15	28	32¾	31⅛	33¼	32½	35⅝	31¼	32⅞	31¾	33⅞	32¼	34½	32⅛	36⅜	35½	36¾	35⅛	37	36⅞	39½	34½	38½	33½	37
Lehigh Valley Industries	1	1	1¾	1⅛	1½	1⅛	1⅜	1⅛	1⅜	1⅛	1¼	1⅛	1¼	1⅛	1¼	1¼	1½	1¼	1¾	1⅜	1¾	1⅜	1½	1⅜	1¾
$3 non-cum 1st preferred	*	16	17¼	16¼	17¾	16¼	17	15½	15¾	15½	15⅝	15	15½	14	14¾	14⅝	15½	14⅝	17⅜	15⅝	16½	15	15½	14¾	17¼
50c non-cum 2nd preferred	*	4¼	5⅜	4⅝	5½	4⅝	4⅞	4⅛	4½	4	4½	3⅞	4¼	3⅞	4¼	4¼	4⅞	4¼	6¼	4⅞	6	4½	5⅛	4½	5⅝
Lehigh Valley RR Co	*	5¼	7⅛	5⅝	6⅞	5½	6⅝	5⅝	6½	6	6½	6¼	8⅛	7	8½	8	9⅛	8	10⅝	9	10	8⅜	9¾	8¼	9⅞
Lehman Corp (The)	1	23½	25¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
When issued		24¼	24¼	22¾	25¾	22¾	24½	23	24½	23¾	24⅞	24½	25½	25	27⅝	27⅛	28½	27½	30¼	28⅝	30⅝	29⅜	31⅜	29¾	32
Lehn & Fink Products Corp	5	25	26½	24¾	27	26⅛	28⅜	26	31⅜	31	34¼	29¾	34⅛	30	32⅛	31¼	33½	31½	34⅞	33⅝	40¾	36½	40	35¼	39½
Lerner Stores Corp	*	14⅝	16¼	15⅞	16⅝	16	16¾	16⅛	17⅝	16¾	17½	17¼	17⅞	17¼	17⅞	17½	19¼	17½	19⅜	17⅞	18½	18⅛	19⅜	18½	19⅛
Libbey-Owens-Ford Glass Co	10	70½	75½	72	74¼	73½	78½	72⅛	77¼	74¼	82¼	80	83½	80¼	89½	86½	92	87½	99½	91	100	92¾	99½	92½	100
Libby McNeil & Libby	7	7⅜	9¾	8	8⅞	8⅜	9⅝	8¾	9½	9	9⅞	9⅛	11	10⅛	11½	10⅛	11⅜	10½	12⅞	11¾	13⅝	11¼	12¼	11¼	12⅝
Liggett & Myers Tobacco Co	25	65⅝	72½	67	72⅛	68	70½	69¼	73⅜	69⅜	73½	69⅜	71⅞	70⅛	72½	71	73⅜	71	75¾	75⅛	79	78	80	79⅛	82¼
7% preferred	100	143	152	146	150½	145	147¾	147½	153¼	153½	157	153	158¾	148	153	145½	149¼	140	146½	140¼	143	141½	146	144¾	148½
Lily Tulip Cup Corp	10	60½	63½	63	69½	67	73	65½	75¾	73½	78¾	75¼	79¼	72	82¾	80¾	88	85½	89½	87½	94½	86¾	93	88	96¾
Link Belt Co	5	46¾	55	53	57	53	55½	53¼	56¾	53	56¾	51⅜	55½	51¼	56¾	54¼	58½	55½	61	58½	63½	58¼	62¾	58	61¾
Lionel Corp (The)	2.50	10	11½	11	11⅜	11	12¼	11⅜	12⅞	12⅛	13	12⅛	12⅞	12½	13¾	12⅜	13½	12⅞	14½	12⅝	15	12½	14	11⅛	14⅞
List Industries Corp	1	7⅜	7⅞	6⅞	7⅝	6⅞	7⅜	6¾	7¼	6¾	7	6⅞	7¾	6¾	7½	6¾	8¼	7½	9¼	8¼	9¼	8⅞	10⅛	9	10⅛
Litton Industries Inc	10c	39⅛	43⅝	37¼	41	36⅞	43⅞	38⅝	41	40¾	47⅝	47	53	46⅜	52¼	49	55⅜	54⅛	62⅜	59⅝	80¾	75	83	79	90¾
Lockheed Aircraft Corp	1	38⅜	42¾	38¾	43⅛	39⅛	42⅞	41⅝	45⅝	44⅞	48⅛	46¾	48	47½	52⅝	51¼	54⅛	52	54¾	49¾	56¼	54¾	62¾	60	69½
Loew's Inc	*	13⅜	15¼	13¾	15½	13⅛	14¼	12⅞	15⅛	14⅝	17½	15¾	17¾	16⅜	17½	16¾	19⅝	19⅛	22⅞	19¾	23½	19⅜	22¼	20⅛	22½
Lone Star Cement Corp	4	28¼	34	31¾	34	32¼	35	30¾	33¼	30⅝	32⅞	31⅞	34½	31¾	36⅛	34⅜	36¾	35½	38⅛	35¾	38⅜	33⅜	36⅞	33½	36⅜
Lone Star Gas Co	10	31	35½	34¾	35⅞	35	36⅛	35⅝	38⅜	37	39⅛	37⅛	39⅞	39¼	41⅜	39	41¼	38	39⅞	38¼	40⅞	40	44⅜	41⅝	47¼
4.84% convertible preferred	100	107¾	112	107½	110	108¾	112½	112⅛	114¾	114	116¾	113¼	117¾	117¾	124½	118½	121⅞	115	118	115	121⅞	119¼	131	125	135¾
Long Island Lighting Co	10	22½	23	22⅝	23¼	22⅜	23¼	22⅜	24⅜	24⅜	26	25¾	26½	25¾	26⅞	26¼	27⅜	25⅝	26⅝	26½	29⅜	28¾	30	28⅝	30
Common rights		—	—	—	—	—	—	—	—	⅜	¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5% series B preferred	100	101½	104	104	104	103½	103½	—	—	102	102½	99½	101½	100½	102½	—	—	99⅜	102	99	101	100½	102	100¼	100¼
4.25% preferred series D	100	—	—	—	—	82	86½	—	—	—	—	—	—	86	88½	—	—	85	85	—	—	—	—	82	83½
4.35% preferred series E	100	90	92	91½	92⅞	—	—	88½	89½	—	—	89	90½	87½	89½	87	87⅜	89	89	85	88	86	87½	88½	89
4.40% series G conv pfd	100	101⅞	105	105	105¼	102	104¾	100¾	106¼	107	112	111½	113¾	111¾	116	113	116	108½	114½	114	125¼	125	129½	124	128½
Lorillard (P) Co	10	32⅜	38¼	36¾	43⅜	42⅛	54⅛	50¼	55¼	52⅞	59⅞	53⅜	70	63⅝	72	66	71½	65½	70¾	69¼	85⅞	81⅛	83⅜	75⅜	84¾
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2⅛	2¾	1⅛	2⅜
7% preferred	100	128	140	136½	140	135⅛	137½	137¼	139½	138	140½	139	143	138	143	135½	139	130½	138	132	136	135½	140½	138	143
Louisville Gas & Electric Co (Ky)	*	29	31¼	27¾	30½	29¼	32	29½	31⅛	30⅜	32⅝	31⅞	34¾	34¼	37	32¾	36	32	33¾	33	37	36½	41¼	40¾	44
Louisville & Nashville RR Co	50	57	61¾	56⅞	62⅜	55½	60¼	58½	62¾	59⅞	62	60⅜	65½	62⅞	75½	69¼	75	69½	74½	73½	81	74½	78	76⅛	78½
Lowenstein (M) & Sons Inc	1	11⅜	13¼	12⅜	13¾	12	13	12⅝	14¾	13⅛	14¾	12½	15	13⅛	15¼	13½	15⅝	13⅞	17	14½	16⅞	14½	15½	14	15⅞
Lukens Steel Co	3.33⅓	60	67½	63¼	67⅝	66	76	61⅛	70¾	65½	70⅞	66½	72¾	67¾	79⅞	72⅞	78⅜	74½	81⅞	66¾	75⅝	66¾	73⅝	67⅛	74⅞
Lykes Bros Steamship Co	10	—	—	—	—	—	—	—	—	—	—	19½	22⅝	19¾	22⅜	20⅝	23¾	22	24⅛	21⅜	23¾	21⅛	23⅝	21½	23⅜
M																									
MacAndrews & Forbes Co	10	23	30½	26	29½	26¼	27	26	26⅝	25⅞	27	25⅛	27¼	26¼	27⅝	27¼	31⅜	28¼	29⅝	28¼	30	28	29¾	29¼	31⅜
6% preferred	100	116	123½	123	123	—	—	122	125	122	122	120	123¾	120	125	119½	123	118½	123	119½	119½	119½	119½		
Mack Truck Inc	5	21⅝	26¼	23	26⅜	23¼	25⅝	23⅛	25⅜	23⅝	25⅝	23⅞	27⅜	26¾	30⅛	29⅛	31⅝	29	31	28⅛	31	29	36¼	—	—
Macy (R H) Co Inc	*	28	30¼	30⅛	31⅝	30⅛	30⅞	30	32½	32	34⅞	32	35	32⅛	34¼	33¼	37⅜	35¼	38	36½	38½	36⅝	39	31⅝	35⅛
4¼% preferred series A	100	78½	84¼	83	84¾	83	84¾	82	85½	84½	88	86	88	85	87¼	84¼	85	82	84½	82¼	84¼	83	84	36	39⅜
Madison Fund Inc	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16½	17⅜	16¾	17⅞	83½	85½
Madison Square Garden Corp	*	8	8⅜	8¼	8½	8½	9	8⅝	10⅜	10⅜	11¼	11	12⅝	9⅞	11½	11	11⅜	11	11¼	11½	12⅝	11⅝	12⅛	17⅛	18⅛
																								11¼	17¼

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Magic Chef-Food Giant Markets	1	12¾	17⅜	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4% convertible preferred	10	7¾	9½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Magma Copper Co	10	31⅞	37¾	33	38⅜	34⅞	49⅜	41	43⅞	38⅞	44½	40¼	46⅜	39⅞	47⅝	43⅝	49¼	45¼	54¼	51⅞	71⅛	61¼	69⅜	55¾	64⅛
Magnavox Co (The)	1	30¼	33¾	34	36¾	34⅞	37	35¼	36¼	35½	37	35½	38½	37⅜	39¼	35¾	38⅞	36¾	42¼	36⅜	40½	39½	58¼	49¼	60½
4¾% convertible preferred	50	—	—	—	—	—	—	55	57½	55	56¾	54¾	58¾	57	59	54½	57½	56½	61	53½	58	58	82½	70¾	86¼
Mahoning Coal RR Co	50	395	400	390	420	400	400	292½	425	400	425	420	450	425	425	415	420	400	425	424½	430	430	450	450	450
Mallory (P R) & Co	1	26¾	28¾	26	28⅝	25¾	27¾	23⅜	26	23¾	26⅜	25	26⅝	25⅛	30¼	28	30⅝	30½	34¼	30	33¾	29½	34⅝	34	39⅞
Manati Sugar Co	1	5⅝	7½	6⅝	7¼	6¼	7¼	6	7⅛	6¾	7½	7	7⅜	6⅞	7⅝	6⅝	7¾	6⅞	8⅜	6¾	7⅞	6½	6⅞	5¾	6¾
Mandel Bros Inc	*	6	7⅜	6½	7¼	5¾	6½	5½	6⅜	5⅞	6¾	5¾	6⅞	5½	6¾	6	6½	6	6⅝	6⅛	7	6⅜	8⅜	6¼	7⅞
Manhattan Shirt Co	5	12¼	13⅞	12⅞	14⅛	13	13½	13	14⅜	12¼	13⅜	12¼	14	12½	13¾	13¾	17	14	15¾	14¾	15¾	14½	15⅞	14⅜	16½
Manning Maxwell & Moore	12.50	21	26	24	27⅜	23⅝	25¾	23	24¾	22⅞	24½	22½	24¾	22½	26⅞	25	26¾	25⅜	26⅞	25	28½	25	27¾	25¼	27
Maracaibo Oil Exploration Corp	1	5¾	6¾	6⅛	7¼	6⅜	7⅛	6¼	7	6¼	7⅛	6⅛	6⅝	6⅛	6⅞	6⅛	6⅝	6⅛	6½	6⅛	6½	6⅛	6⅞	6	6⅜
Marathon Corp	6.25	16⅛	17⅞	13¼	19⅝	15½	17½	16½	20¼	18½	20½	19½	23¼	—	—	—	—	—	—	—	—	—	—	—	—
Marine Midland Corp	5	18½	19½	18⅝	19⅜	19⅛	20⅜	19⅞	20⅝	20⅛	21⅜	21	22⅝	21⅛	22¼	21¼	22½	21½	22¾	22¼	24¾	22⅞	24½	22	23¾
4% convertible preferred	50	51½	53¼	51½	53¼	52¾	56	54½	56	54¾	58½	57½	61¼	58	60½	58¾	60	58¾	63¼	62¾	67	64	64½	63⅛	64
Marquette Cement Mfg Co	4	25⅝	30¾	30⅛	35	33	34⅞	33⅛	35	33¾	36½	36	38⅞	39	45¼	43¾	50¼	46½	50½	48½	52	51	55¼	54⅜	59¾
Marshall Field & Co	*	29⅞	34¾	31⅜	35⅜	31½	34⅞	33¾	36½	35¼	38⅜	33⅝	35¾	35	38⅜	37⅞	39⅞	39¼	41⅛	40¾	43⅝	39⅜	45⅝	40⅛	42⅞
4¼% preferred	100	81½	86½	83¼	87½	84½	86	84	88	87½	90	88	93	91	93½	89	92½	84⅞	87¼	85	89	88	93⅛	90⅛	93
Martin Co (The)	1	32¼	36⅞	31⅜	34⅞	31	35	31½	33⅝	31⅜	33⅞	33	34⅞	32⅜	35¼	32¾	35½	30	33⅝	30⅛	35¼	30⅝	36⅛	30½	33½
Masonite Corp	*	25½	29¼	27½	29⅝	28¾	30½	28¾	30½	28¾	29¾	29¼	32⅛	31½	34¼	33¾	37½	36¼	38	33½	36⅞	33½	41⅞	36⅛	42⅜
May Department Stores Co	5	34	38⅞	36	39⅛	36¼	38⅜	37	40⅛	40⅛	42¾	39	41½	40⅝	43½	41	43	42⅛	44⅛	43⅛	46⅞	43½	45½	44⅜	49½
$3.75 preferred	*	79	81½	80½	82	80	81½	79	81½	81½	83½	83	85¾	82	85½	81½	84	76	78	76½	79	75½	79	76	78½
$3.75 preferred series 1947	*	78½	80½	80	82	79	81	79	81½	80¾	84	84	85¾	83	85	76	84½	75	80	77¼	79	76	77½	76	78½
$3.40 preferred	*	70	71	70	72	70	72	70	72¼	72¼	73¼	73	75½	74¾	77	71	76	66¾	71	68	69	69½	70	68⅝	71
Maytag Co (The)	*	23¼	24⅞	24¼	25½	25⅝	29	26½	28¼	28¼	29¼	28⅝	31⅞	31⅝	35⅞	34¼	39¼	37⅜	39½	39⅜	46½	43½	49½	43½	46
$3 preference	*	50½	51⅝	51	52	51¼	52¼	51	52½	52	53½	53½	54½	54½	55	54	55¾	54	55	54	56	55	56½	55½	56¼
$3 preference called		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	55¼	55¼	—	—	—	—
McCall Corp	*	13	14½	13¾	14½	13⅞	14⅝	14⅜	15⅜	15⅜	16¼	15⅝	17⅜	15⅜	16	16	17⅛	16⅜	17¾	16⅞	18⅛	16¼	17½	16¾	20
McCord Corp common	3	21	24	20	23¼	20	21½	18¼	22¼	20	22¼	20	21⅜	20	25⅜	23¾	25¼	23¾	27½	26	32½	28⅛	30¾	28½	30½
$2.50 preferred	50	39½	42	42	42½	41	42½	39¾	41	39⅝	42	41	42¼	41¼	42	41⅜	42¾	41¾	42⅛	41⅞	43½	44	44	44	45
McCrory Stores Corp	50c	11½	12⅝	11¼	12⅞	11	11¾	10⅞	11¼	10⅞	11⅜	11⅛	11¾	11⅜	11⅞	11½	12⅝	12	13	12	13¾	13⅛	13⅞	13	13¾
3½% convertible preferred	100	62	74¼	74	79	75	78¼	75	78½	75½	79⅞	77½	80	77¾	80	73	76½	74½	79½	76½	79½	77	79½	77½	83½
McDermott (J Ray) & Co Inc	1	—	—	—	—	28¾	33⅛	29	31⅞	28¾	36⅞	34¼	38½	33½	37⅞	35¼	37¾	35⅛	39	38¾	50	45½	56	49	56½
McGraw Edison Co	1	36⅜	37½	35	37⅛	33⅜	36	31⅞	33¾	33⅛	35⅛	32¾	34⅞	32½	36¼	35¼	38½	37¼	41⅞	37¾	41⅞	36	38½	37⅝	40
McGraw-Hill Publishing Co Inc	3	39	41⅞	39	42⅛	39½	43½	41⅝	45¼	44	46⅜	45½	46⅜	43	46⅜	43	46¾	45¾	53	48½	52¼	49¾	59	55¼	59¼
McGregor-Doniger Inc class A	1	10½	11¾	11	11¾	11⅜	12⅜	12	15⅛	14⅜	15¼	14⅝	15½	14¾	16¼	15½	16½	15¼	16½	16¼	17½	16¾	20⅜	18	19½
McIntyre Porcupine Mines Ltd	5	68½	77½	71½	77¾	74⅝	78½	73	77	77½	85⅜	82½	84⅞	79	88	85½	89⅞	83	87½	84½	90	85	93¾	87	98
McKesson & Robbins Inc	18	52	57¼	56¾	59¾	57½	64	58¼	63	58½	63	56¾	60	57¾	61	57¼	60¾	59	65¼	62	67½	64⅛	70½	65	70
McLean Trucking Co	1	8¾	9¾	8⅝	9⅛	8⅝	9	8½	9½	8⅝	9¼	7½	9¼	7¾	8⅜	7⅞	8⅜	7¾	8⅛	7¾	8⅛	7⅞	9⅛	8	8¾
McLellan Stores Co	1	13¼	15⅜	13½	15½	13	13⅞	12⅝	13¼	12⅝	13½	13¼	13⅞	13⅛	14⅞	14⅛	15⅛	14⅜	15	14½	16⅞	16⅜	17	15⅞	16⅝
McQuay-Norris Mfg Co	10	13½	15½	14	15½	14	16¼	15½	15¾	15½	16	15⅝	16⅞	16¼	18¼	17⅛	17⅞	17⅜	19	17⅜	19	18¼	20	18½	22½
Mead Corp (The)	5	35	37¼	34½	37¼	34	35¾	33¼	35¼	33¾	35⅞	34½	37¼	35¾	41⅞	41	43¾	40½	47¾	43	46⅛	41½	45¼	41¼	43¾
4¼% preferred (1st series)	100	86½	93	93	93½	92	93½	94¼	96	94½	96	94	95½	94	94	—	—	94½	95½	93	94	92½	93	93½	93½
Melville Shoe Corp	1	22¼	25½	23½	25⅝	23½	25¼	24⅞	26⅝	25	26⅛	23¼	25⅞	22¾	24½	22⅞	24⅛	23	23⅞	22⅞	24¾	22⅞	24⅜	23	24
4% preferred series B	100	79	82¾	81	83½	80	82¼	82½	84½	82½	85	82¼	83¾	78½	82	79⅜	81	78¾	81	78½	80½	78½	80	79	80½
Mengel Co (The)	1	56	68½	67¾	73	70	73	65½	80½	74	92	88	95½	87	96½	—	—	—	—	—	—	—	—	—	—
Mercantile Stores Co Inc	3.66⅔	19¼	20¼	20	21⅞	21⅛	21⅞	21	22¾	22½	23½	22⅜	25¾	24½	27	25⅛	26⅞	24¾	27	26⅞	29	28⅛	30½	29½	32
Merck & Co Inc	16⅔c	36¾	42⅜	40½	44⅞	43	49¼	45	50⅞	48⅛	54⅝	49¾	56¾	53¾	60	55½	65	64	73¾	65½	72	68¾	79⅝	72½	83⅜
$3.50 cumulative preferred	*	79	82	80	83	81½	82	80½	82	83⅞	86	84	84	85	85	80	82	77	80	74	79½	78¾	80½	79⅛	80
$4 convertible 2nd preferred	*	109½	122	119	130	124	140	130	146½	140	157	145½	161	159½	172	165½	180	186	212½	196	207	—	—	—	—
Mergenthaler Linotype Co	*	31⅜	39	32	33⅞	30½	34	32⅝	35¾	33⅛	35¾	32¼	34¾	34⅛	38⅞	37¾	48	41¼	45¾	42¾	53¾	47	51¼	42½	48
Merritt-Chapman & Scott	12.50	15⅝	19	18	19½	18	19⅜	17¼	18⅞	17½	18⅜	17½	19⅛	17½	18⅛	16⅛	18⅛	16	17¼	16½	17⅞	17¼	19⅝	17½	19¼
Mesta Machine Co	5	39	43¾	41¾	46	43⅞	49	45¼	46⅜	45½	50	46⅜	48	47	53	50¾	56½	54	56¾	55¾	60½	58½	61¼	57	62½
Metropolitan Edison 3.90% pfd ser	100	84½	90	88	90	87	92	86¾	91½	89½	92½	89	91	90¼	91½	84	89¾	78	83	82	85½	83¼	86	82	84¼
4.35% preferred series	100	94	100	98½	98½	98	101	100½	102	100	102	98⅞	101	99	100	96	98½	93	97½	93	95½	92	97	91	93
3.85% preferred series	100	86	89	89	90¼	86½	89½	88	89	87	89½	87½	87½	85½	87	82	84½	79	82¾	80½	82	82½	83¾	81	83
3.80% preferred series	100	85	86	85½	87½	86½	88	88	88	86¾	88	88½	90	90	92	—	—	80	80	79	83	81	83½	80	84
4.45% preferred series	100	97	100	100	101½	101½	103	101½	101½	101½	102½	98½	102¼	102	103	104	104	99	102	98½	100½	—	—	99	99
Miami Copper Co	5	25	27⅞	24⅜	29⅝	24¼	31	26⅜	28⅞	27⅜	29⅝	28¾	32⅝	29½	34⅛	30¼	35¼	30⅝	37¼	35½	40⅝	34¾	38⅝	33	36
Middle South Utilities Inc	10	34¼	38⅛	37⅝	39¼	38¾	42⅛	40	43½	40⅝	43¾	41⅜	43½	42⅝	45½	41¼	44⅞	41⅜	43½	42⅞	45½	45½	48	45⅝	48⅜
Midland Enterprises Inc	1	29⅛	33½	30	33	32⅛	33	31	32⅛	30	30½	28⅝	30	28⅜	36⅜	34¼	35¼	34	39	35¾	37½	35½	36⅝	33	36
Midland Ross Corp common	5	35¾	39¾	37	42¼	38	43	38¼	41	36½	39¾	37	40¾	37¼	40½	38	39¾	39	42⅞	40½	43⅜	40¼	42½	39	43
5½% 1st preferred	100	78	86⅞	83¾	86	81	85¾	82	85½	84	86½	84½	88	82½	86	82	83½	82½	85	82¾	84½	82½	84½	82½	86½
Midwest Oil Corp	10	25½	27½	25⅛	26	25¼	30½	28	29⅝	28⅛	30¾	30¼	32½	30¾	38⅛	36¾	39½	34½	38⅞	36¾	39	36½	36⅞	35⅛	38¼
Minerals & Chemical Corp of Amer	1	14⅝	17¾	16¾	21½	16½	18⅜	16⅝	18⅝	16¾	18½	16⅝	18¾	17	19	18⅛	20¼	17⅝	18¾	17⅜	19⅝	16⅝	18⅜	17⅛	19¾
Minneapolis-Honeywell Reg Co	1.50	76	83¾	78¼	85⅜	80½	88¾	81¾	86¼	83½	90½	87¾	92¼	88¼	99¾	94¼	99¾	93¾	101½	92¾	98⅜	95¾	114	110	126
Minneapolis-Moline Co	1	7⅝	11	8⅝	10	8½	9	8	9	9	13¼	11	12⅜	11⅛	13⅛	12½	15¼	14⅜	17	16⅜	18⅝	17⅝	20½	18¼	19⅛
$5.50 1st preferred	100	59	66	65	65	64	65	65	66	65	66	65¼	70	69	71	71¼	78½	76½	79	80¼	96	88¼	96	91¼	93
$1.50 2nd preferred	25	13⅜	16⅞	14	16¼	14⅜	15¼	15¼	15¾	16½	19⅛	18	18¼	17	18	18½	22½	21¾	23¼	23½	27¼	24	28	24¾	26
Minneapolis & St Louis Ry	*	17	18¾	18½	19⅝	18½	21¼	20	22	20½	21⅞	21⅛	22⅜	20⅞	22⅞	21½	24	23⅜	25¼	24⅝	27¾	26½	27⅝	27⅛	28⅞
Minn St P & SS Marie RR Co	*	11⅞	13⅞	12¼	14	12¼	13¼	12¼	13½	12⅜	13⅛	12½	13¾	13¼	16¼	14⅝	15⅞	14¼	16⅞	15¼	18	17½	20⅝	18½	20¼
Minnesota Mining & Mfg Co	*	75	78¾	73½	81½	74½	79⅜	74½	77⅞	75	80½	78	83	79¼	94¼	89	94	91½	97¾	91¼	100	99	107½	102½	116
$4 preferred	*	93	96	94½	96½	97½	98¾	98½	99	99	99½	99	100	98	100	99⅜	100	94	99¾	95	102½	102½	102½	102½	102½
Minnesota & Ontario Paper Co	2.50	21½	25¾	23⅛	25⅛	23¼	24⅞	23¼	25	25	27⅜	26⅛	28⅜	27	29¼	28	31¼	30	34⅞	33¼	35¾	33¼	35½	33⅜	35½
Minnesota Power & Light Co	*	27⅜	31	29¾	30½	29⅜	31	30⅝	33⅜	32¾	33⅞	32¼	33¾	31¾	33⅝	31⅛	34½	31⅝	32½	31	32⅝	32⅛	34⅝	31¾	35½
Minute Maid Corp	1	4⅞	7⅜	6½	8⅛	7⅛	8⅞	8¼	10	9⅛	11	10	12	10⅝	12¼	11⅝	16½	15	17⅝	16	18⅞	16⅛	18⅜	16	18⅝
Mission Corp	1	33½	36½	31	37	32	36¾	33	37¾	35¼	37¼	36½	40	37	42½	41	44⅞	39½	44¼	38	43	38⅜	43¼	40⅛	42½
Mission Development Co	5	18¾	22⅞	18⅜	23¼	19¼	21⅜	19	21½	20¾	22⅞	21	23⅜	21	23⅞	23⅜	25⅞	21⅜	24	22	24½	20¾	22½	20½	22⅞
Mississippi River Fuel Corp	10	27	30	29¼	30⅞	27½	30	27½	31¾	30	32⅜	31⅛	33½	33¼	35¾	34¼	36⅜	32½	35⅛	34	37¾	34⅜	38⅝	35⅛	39⅜
Missouri-Kansas-Texas RR Co	*	4¾	5¾	4¾	5⅞	5	6⅝	5⅜	7½	6⅞	8	8¼	9⅞	8	9½	7½	8¾	7¾	9⅜	7¾	9⅛	7¾	9¼	7½	8⅞
7% preferred series A	100	30½	37⅞	34¼	39	36	43⅜	38	49	45¾	49¾	49½	57¾	50½	61⅜	57¼	59⅞	57¾	65	62½	66⅞	61¼	67⅞	60⅜	66½
Missouri Pacific RR class A	*	21	24⅜	21⅛	25⅜	21⅛	24½	20	24½	23¼	27¼	26¾	30	28¼	32⅝	31¼	34	31	36	31¼	36⅛	35⅛	38⅜	37	43⅞
Missouri Public Service Co	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16⅞	17¼	16½	17⅛	16¾	17⅜	17¼	19¾
Mohasco Industries Inc	5	4⅝	6⅛	5	5⅞	5⅛	5⅝	5	6⅛	5⅝	6½	5⅞	7⅜	6⅝	7¼	6⅞	9⅝	8⅝	10¾	9½	12¼	11¼	13½	11⅝	14¾
3½% preferred	100	52	56	54	56	53½	60	57¾	59	57	58	57⅞	65½	63½	66	67	72½	70¼	72½	69⅛	75	63	80	60½	63⅜
4.20% preferred	100	62	67½	66¼	67⅜	67	72	66¼	69	67	69	67⅝	73	73	77½	78½	82½	80	82½	80	84½	71	90	69¼	72
Mojud Co Inc	1.25	8¾	9⅝	9¾	11⅛	10⅛	10¾	10	11⅛	10⅝	12⅜	10¼	11¼	10⅝	11½	11⅛	11½	11⅛	12½	11⅝	13	12¼	13⅞	13⅜	16⅞
Monarch Machine Tool Co	*	15½	17½	16½	17⅞	16⅞	19¼	17¼	19	17⅝	18⅞	17⅛	17¾	17⅛	18¾	18¼	20	19	20¼	18½	20	18¼	19¼	18⅜	19¾
Monon RR class A	25	11¾	13¾	11⅝	12⅝	11½	12⅝	11¼	12	11¼	12½	12	14⅝	13	13½	13	13½	13	14¾	13¾	14¼	13⅝	14½	12¾	13¾
Class A certificates		—	—	—	—	12	12¾	11¾	11¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Class B	*	6⅝	7⅝	7	7½	6½	7¼	4¾	7	5⅝	6⅞	5¾	8½	6⅞	8⅝	7	8⅛	7	8⅞	8¼	8¾	8	8½	7½	8½
Monsanto Chemical Co	2	34⅛	36¾	32	35⅜	31½	33¾	29⅞	31¾	30⅛	31⅜	30⅜	33¼	31⅛	35⅛	33⅝	36¼	33¾	35⅞	34¾	39⅛	35¾	41⅜	37⅞	40
Montana-Dakota Utilities Co	5	22½	25¾	23½	25⅜	23⅞	26¼	24⅝	27	26⅛	27	25⅞	28⅛	26½	28⅛	26¾	28	27⅛	27⅞	26¼	27½	27	31¼	29½	31½
Montana Power Co (The)	*	45	48½	46	47⅞	45⅝	49½	47	53	51¾	54	54	56¾	54½	59¼	53⅜	58¾	54	60¼	60	64½	64	68¼	66¼	71½
Montecatini Mining & Chemical— American shares	1,000 lire	18	18⅝	17⅜	18½	17⅜	18½	17⅜	17⅝	16⅞	18⅛	14⅝	17	15½	17¼	17⅞	18⅛	17¾	18¼	17⅞	18½	18¾	20	19⅜	21¼
Monterey Oil Co	1	18½	20⅝	18¼	20⅛	18⅞	21⅜	19	22¾	22⅝	24⅝	22¾	26⅛	23¼	27⅜	26⅜	30¾	27⅝	31¼	29⅛	32⅜	30½	33¾	32⅝	37½
Montgomery Ward & Co Inc	*	28	33⅞	32⅝	33¾	33⅜	36⅛	33	35⅝	35	36½	34¾	37¾	36¾	38½	37⅜	39⅞	37¾	39¾	37⅞	39⅝	38⅛	42⅞	40⅛	42¼
Moore-McCormack Lines Inc	12	17⅜	19⅞	18⅜	19¾	18	19⅛	18½	19½	18¾	19¾	17⅞	19⅛	18⅜	19½	18⅝	20⅜	18⅝	20⅝	19½	20⅜	20⅛	21⅞	20⅜	21⅝
Morrell (John) & Co	10	11½	14⅞	13⅛	14½	14⅛	16⅞	14⅝	16	14½	15½	14¼	15½	15	17	16⅜	19	17⅛	18¾	16¾	19	17¼	19⅝	19⅜	23⅜
Motorola Inc	3	38½	41¼	38½	42¼	38⅝	41½	36	38¾	35	38⅝	37¾	41	38¼	41⅜	40¼	45¾	44½	49½	47	53¾	50¼	55⅛	52¾	60½
Motor Products Corp	7	37	37¼	37	38	37¾	38¾	38¼	39½	38½	44½	42	48½	47⅜	55¼	51	53¾	51¾	55	53¼	60½	61	65	63¼	75¾
Motor Wheel Corp	5	13	16¼	13¾	14½	13	14¼	12¾	13⅛	12⅜	13⅛	13	14⅞	13½	14⅞	14⅝	16¼	14½	16¼	15¼	17	15⅝	18⅜	15⅝	16⅝
Mueller Brass Co	1	19½	24¼	23⅝	24¾	24¾	26¾	23⅞	25⅛	23¼	25⅞	25	26¼	25	29¼	28¼	31½	30¼	31¼	29	30⅝	28½	32¼	27	29¼
Munsingwear Inc	5	17	18¼	17⅛	18	17¾	20⅛	18¾	19½	19⅛	20	19⅛	19¾	19¾	21½	21	23¼	21⅜	23¼	22½	25⅝	23¾	25	23	25⅛
Murphy Co (G C)	1	30¾	34	33⅜	36½	36¼	38¾	38	39¾	38	39⅝	37¼	38⅜	37⅞	40⅜	38⅞	42½	38¼	40	39	42¾	41½	44½	42¼	45
Murray Corp of America	10	19¾	23⅜	22⅞	24¾	21	26¼	21¼	27½	24⅝	28⅜	25¼	32⅜	27½	29⅞	27¾	30¼	27½	30⅝	27⅞	30⅝	29	33½	30⅛	33⅝
Myers (F E) & Bros	*	40	41	38	41	39½	43½	41	44¼	41½	43	41	43	40¾	43½	43½	47	47	50	46	50	45¼	48	45	48

NOTE: All stock footnotes shown on page 17.

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STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
N																									
Natco Corp	5	11	14	12⅞	14¼	12½	13¾	11¼	13⅝	11⅜	12⅛	12	12⅞	12¼	13¾	13½	15	13¾	14½	13	13⅞	12¼	14⅝	13⅝	14½
National Acme Co	1	43⅞	47½	45	47¼	45½	53½	50⅛	53½	49¼	50⅞	47½	49¾	47⅜	54½	50½	54	52¼	59	53¼	59¼	49⅝	54¾	51	55
National Airlines Inc	1	14⅛	18¾	15	17⅜	14¾	16¼	14½	15⅛	14⅛	15¼	14¼	15⅜	14¼	16¼	15¾	17⅜	17¼	20¾	17⅜	19½	18½	21¼	20	22¾
National Automotive Fibres Inc	1	9⅝	11¼	10⅞	11¾	10⅞	12¼	11⅝	12⅝	12¼	13½	12⅞	15⅝	13½	15⅛	13⅝	14½	13⅝	14½	13⅜	14⅞	13½	15⅛	13¾	16½
National Aviation Corp	5	25½	31	25⅝	30	23⅝	26¾	24¾	26¾	26	29	25⅝	28⅜	25½	28½	26¾	29¼	26¾	28⅜	26¼	29¼	28⅛	29½	25⅛	29
Rights		—	—	1⅛	1¼	⅞	1⅝	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Biscuit Co	10	41⅞	44¾	43¾	46½	46	47⅜	44¼	47¼	46⅝	49½	48½	51	46½	49⅞	47¾	50¼	47½	50¼	47½	49⅝	47¾	51½	49	50¾
7% preferred	100	163½	168	162	167¼	158½	163½	159	167½	162	166½	162½	168	160½	167	158½	162½	151¼	158	149¾	156½	151	154	151¼	155
National Can Corp	10	9¾	11	10	10⅞	10	12	11¼	13½	11⅝	13⅛	11⅝	14	11¾	13⅜	11¾	12⅝	12½	14¼	13	14½	13½	16¼	13	15⅛
National Cash Register Co	5	50½	55	53½	57	55⅛	58⅛	53½	57½	57⅜	63½	62¾	71½	64¾	69½	66¾	70¾	69⅞	74¾	70¼	76¾	67⅛	73⅝	67¾	86¼
National City Lines Inc	1	19¼	23¼	21⅝	23⅝	21¾	23	20½	23⅛	21¾	22¾	22	23	22¾	23⅝	23⅛	24⅞	22⅞	24⅛	23½	25½	24⅞	29⅛	28	30⅞
National Cylinder Gas Co	1	32⅛	34⅞	33⅝	37¾	34⅛	37⅝	33½	36¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Dairy Products Corp	5	37¾	40⅞	39¼	41½	40⅜	45	43	44⅞	43⅝	47¾	44⅛	47¾	43⅝	46¾	43⅝	45¼	44⅛	46⅛	44½	48½	44¾	49⅝	46	49⅜
National Department Stores Corp	5	13½	15½	13½	15½	13½	14¾	13⅜	15¼	15½	18	16½	17⅜	—	—	—	—	—	—	—	—	—	—	—	—
National Distillers & Chemical Corp	5	20⅝	23⅛	22⅛	23⅛	22⅜	23½	21⅞	23¾	23⅛	24½	23½	24¾	23⅛	26½	24½	25⅞	24½	27⅝	25⅞	28⅞	26⅝	31⅜	29¼	31
4¼% preferred series of 1951	100	86¼	91½	90½	92¾	91½	94	91	92¾	91	95	90⅜	94	90	94	91¾	94	90½	93¼	92½	99	98	103½	98¾	100¼
National Fuel Gas Co	10	17⅛	19⅛	18¾	19½	19⅛	20	19⅜	20⅛	19¾	20½	20⅛	21⅜	20¼	21½	20⅜	21⅛	20⅛	21¼	20	21⅜	20⅞	22⅞	22½	24
National Gypsum Co	1	42	46	43¾	47¼	44¾	47⅜	45	47⅝	46¾	48¾	46½	48	48	52⅛	52¼	55¾	54	58¾	52¼	54¾	54	58⅜	55½	59¾
$4.50 preferred	*	90	93½	91½	93½	93¾	95	95	97	95⅜	100	95⅜	100	93⅜	96¾	92	96½	90½	92½	92½	95½	94	97	92	95
National Lead Co	5	93¾	99⅞	89	103¾	85⅛	92¼	84⅛	87⅞	85¼	88½	88½	94	90½	101⅞	100⅝	105¾	101	107½	105¼	115½	103¼	112¼	110	114⅞
7% preferred A	100	160½	167½	160½	164½	158	161	159	166	162¼	164¾	162	168	162	166	156½	164	151	159	148	153	150	153	150	153½
6% preferred B	100	135¼	142½	139½	142½	139½	141½	139	141	139	141½	139	143	136	143	132½	136	130⅛	134	131	134½	128½	132	129	132½
National Linen Service Corp	1	13⅝	14¼	14⅛	14¾	14⅜	15	14⅝	15	14⅞	16⅜	15¾	16½	16½	16⅞	16⅝	17⅛	16⅞	18¾	16⅝	17	16¾	18	16⅞	17½
National Malleable & Steel Cast Co	*	22⅛	25¾	22⅞	26½	22⅝	26	22⅜	25	21¾	24¼	21⅞	24⅜	23½	27⅛	25¼	27⅜	26¼	30⅝	27	30⅝	26¾	30¼	26¾	29½
National Shares Corp	1	15	16⅜	15¾	16¼	15¾	16⅝	15½	16½	15⅞	16¾	16½	17¾	17¼	19	18¼	19½	19⅛	20	17⅛	19⅜	17¾	18⅝	17¼	18⅝
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	¾	1½	—	—	—	—
National Steel Corp	10	51	56¾	49	53¼	49½	52⅞	47⅛	50½	49	53	49	52⅜	51¼	61¾	60	66¾	62½	70½	68¾	76½	71	77	73⅛	77¾
National Sugar Refining Co (The)	*	30⅝	33	33⅜	34	33¼	35⅜	32	34	34	36¾	35½	38	36	38½	37½	40	37½	40¾	35⅜	37¾	35⅝	37¾	35¼	37¾
National Supply Co (The)	5	34¼	37¾	35¾	38	35¼	37⅞	33	38¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Tea Co	5	42⅝	48⅜	46⅝	48¾	47	51¼	49⅜	54¾	51⅝	54¾	52	54¼	49¾	52⅝	50	56	55¼	59¾	55½	59⅞	58⅛	63¼	62	71¾
National Theatres Inc	1	7⅜	8⅜	7⅝	8⅜	8⅛	9	8	8⅞	8¼	9¼	8¼	9	8	8¾	8	9⅞	8⅝	9¾	9	10½	9¾	10½	10	11½
National U. S. Radiator	1	7¼	7⅞	7⅝	8½	7⅝	8⅛	7¾	8⅛	8¼	9½	9⅛	10⅛	9⅞	10⅜	10¼	10⅞	10	12	11¼	12⅞	10¾	12¼	11⅝	12⅝
National Vulcanized Fibre Co	1	9⅝	12⅜	11	12⅛	10¾	11⅛	10¾	11¼	10⅛	11	10¾	12⅛	10⅞	11¾	11¼	11¾	11¼	12⅜	12¼	14¼	13	13¾	13⅛	13⅞
Natomas Co	1	4¾	5⅞	5⅜	5⅞	5⅜	5⅝	5⅜	5⅞	5⅝	6¾	5¾	6½	5¾	6½	5⅞	6¾	6⅛	6¾	5⅞	6½	5⅞	7⅝	6⅞	8½
Nehi Corp	1	13⅛	13⅝	13⅜	14	13⅝	14⅛	13½	14⅛	14	14½	13¾	14⅝	13¾	14¼	13¾	14¼	13⅝	14⅛	13¾	14¼	14	16¾	14¾	16¼
Neisner Bros Inc	1	10⅛	11⅜	11⅛	11⅞	10¼	11¼	10⅝	11⅛	11⅛	11¾	11⅛	11¾	11⅜	12¼	12¼	13¾	12⅝	13¾	13	13¾	12	13⅜	12	12⅞
Newberry Co (J J)	*	26¼	29	28⅛	29½	28⅜	30½	28½	32	31	32⅝	32¼	33⅜	32¼	34⅝	34	36¼	34½	36¼	34¼	36¼	34¼	38½	35¾	37⅜
3¾% preferred	100	77½	79½	77¼	78½	78	78½	77½	80	80	82⅜	82	83½	81	84½	78	82	76	80	74½	78	75¼	79½	79⅝	80¾
New England Electric System	1	14½	16	15¾	16⅛	15⅝	16¼	15⅞	17	16¾	17¾	17¼	18⅛	17⅝	18⅝	17½	18¼	17¾	18⅜	18	18⅜	18⅛	20	18⅞	20
Rights		—	—	—	—	—	—	3/32	11/64	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
N J Power & Light Co 4% pfd ser	100	87	88½	85	85½	85	86	88	88	86	96	94	94	90	90	—	—	—	—	85	88	85	86½	82	85
Newmont Mining Corp	10	68	77	73	80½	74⅛	81⅞	72¾	78½	75	79¼	77⅝	85	78	89	87½	95¼	92¾	97	96¼	108½	97½	104¼	100	108
Newport News Ship & Dry Dock Co	1	39⅛	44¾	37⅛	43⅞	38	40	36¼	38⅞	36¾	38¾	36¾	39⅜	36½	40⅜	38¾	42¼	41¼	46⅝	44⅝	50⅝	43¾	49½	44⅝	48⅜
New York Air Brake Co	5	17¾	20¼	18¼	21¼	18¼	20¾	18⅝	19½	17¾	19¾	18⅝	20	18	19⅝	18⅞	20¼	19⅛	21¼	20	22⅛	22	23¾	22	26
New York Central RR Co	*	14⅛	16¼	13⅜	15¾	13¼	14¾	13¼	16	14¼	15⅝	15	18⅛	15⅞	19⅛	18	20	18¼	24⅜	21¼	29¼	25¾	29¼	25⅞	28¾
N Y Chicago & St Louis RR Co	15	19	23	19½	23⅜	19	20⅝	18	21¾	20	22½	21½	24⅞	24⅜	27¼	26½	28⅞	26½	30¾	29	32⅜	30⅝	32½	29⅞	32¼
New York Dock 5% non-cum pfd	*	96	97¾	—	—	—	—	95	95	—	—	100	107	105	105	107	108	108	115	117	127	121	135	121½	128
New York & Harlem RR Co	50	180	195	200	200	—	—	—	—	220	225	205	225	—	—	226	226	225	225	225	235	220	235	230	275
N Y New Haven & Hart RR Co	*	5⅛	7½	6½	9	5¾	6¾	5⅜	7⅛	6⅛	7	6⅞	7¾	6⅝	8	7⅜	8⅛	7¾	12⅜	10	11⅞	9½	11¼	9	11½
Preferred 5% series A	100	14¼	22	15¾	22	15¼	17¾	14⅝	17	16	17⅝	16¼	18¾	16	19½	17¾	19½	18½	24⅞	20¼	23¾	20¼	23¼	18	21⅜
New York Shipbuilding	1	26½	31⅜	26¾	29¾	25½	28	25⅛	27⅛	26⅜	28⅞	25⅜	29	25⅜	27¾	26¼	30	28¼	33½	31⅜	36¾	29	33½	30	34
N Y State Elec & Gas Corp com	*	38¼	40½	39½	42¾	42⅛	44	43¼	45¼	44⅝	47⅛	45¼	47¼	44½	47½	46	48½	46⅛	49	46¼	50	48¾	53¼	50¾	56¾
$3.75 preferred	100	79¾	83	84	84	83	85	81	84	83	84¼	82	83½	81	83½	80	82½	74½	77¾	77¾	80¼	75	78	75½	78½
Niagara Mohawk Power Corp com	*	29¼	31½	31¼	33⅝	32⅛	33½	32⅝	35	34	36⅜	34½	36⅜	34¾	35⅞	34⅞	35¾	34⅛	36¼	34¼	37¾	37	39	36¼	38⅝
3.40% preferred	100	73¾	73¾	73¾	73¾	72½	73½	72½	73	74	74	74	74¼	74½	76	68	69	67	69	68	70	67¼	70	67	70
3.60% preferred	100	76¼	80½	80	80	76	78½	76⅞	80	79	80½	78	80	79	80⅞	72	77	70½	74	70½	73	70½	73	71½	75½
3.90% preferred	100	82	86	81½	84¼	81	83	81½	88½	85½	88½	84¼	86	80	85¼	81	83	76½	82	76	79½	78	81	76½	80½
4.10% preferred	100	89½	93½	—	—	93	93	90	92	91	91	90	91	88	89¾	85	88	80	83¾	82¼	82½	82	83½	82	83½
5.25% preferred	100	106¼	107⅞	106	108	104½	107½	106	108	106½	108	105½	108	105	107	103	106	103	106	104	106	104	106	103	105½
4.85% preferred	100	—	—	—	—	—	—	102½	104½	103⅝	105¼	103	105	101	103⅞	98½	102	94	98¾	97	98¾	96	97½	95	98
Niagara Share Corp	5	18⅞	20⅝	20⅛	21¼	19¾	20⅜	19⅞	21¼	21	22	20½	22	21¾	25	23¾	25⅜	24½	26⅛	25	26⅝	24½	26¾	24¾	27
Nopco Chemical Co	2	31¼	33¼	33	34½	32½	36	32¼	35½	35½	39	36½	39½	36¼	40½	39½	44¾	44⅛	54	48	52⅜	49½	59	57	61¾
Norfolk & Western Ry Co	25	55⅜	60½	54¼	61½	54½	58¼	53¾	59	58	62½	61¼	65	62¾	69¾	68½	71¾	69¼	76½	75¼	82½	78¾	92	86¼	89¾
Adjustment preferred	25	22	23⅛	22	23	22¼	22½	23	23½	23	23⅜	23	23½	22¾	23⅜	22	23	21½	22¼	21⅝	22¾	22	22½	22½	23
North American Aviation Inc	1	29½	33⅛	25⅝	31⅞	26¼	28⅞	26⅜	29⅝	28¾	31¾	30¾	33⅜	30⅞	35¾	33⅝	36¼	33⅜	36⅞	31¾	36⅛	33⅝	40⅝	39⅜	45⅞
Northeast Capital Corp	1	15¼	18⅞	17¼	18¾	16⅞	18½	17⅛	19½	18¾	20	18¼	19⅞	19½	22	21½	22¾	20⅝	22⅛	20¾	24⅞	22⅜	27⅞	22½	24½
Northern Central Ry Co	50	68	70	68	69	66	68½	63½	68	65	67	65¼	69½	65½	72	66	70	67	69	68½	71¼	69¼	72½	70	70¾
Northern Natural Gas Co	10	47½	53¼	49½	51¼	50¼	53	51⅞	53	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rights		11/32	⅞	11/32	13/32	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Common new	10	—	—	—	—	—	—	26⅜	28	26⅜	29¾	28¼	29⅜	28½	30	28⅜	30½	27⅝	28⅞	27⅞	29½	28	30⅛	28⅞	29⅜
5½% preferred	100	104	105½	104½	106	105	106	106	107	106	108¼	107½	109½	107⅝	109	107⅛	108½	104	106	102	105	103½	105¾	105¾	107
5.80% preferred	100	107	109	107	109½	108½	110	108½	111½	111	113½	111½	113¼	109	112½	106⅛	108½	107½	109⅛	108	109	108	109	107½	110⅛
Northern Pacific Ry Co	5	32¼	38	35	38¼	35⅞	40⅛	35¼	39⅛	37	39½	38½	41¼	39	43¼	41¾	46¾	45	51⅜	48	58½	49¼	59⅜	48	51
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	48⅜	48½
Northern States Power Co (Minn)	5	16⅝	18	17¾	18	17¾	18⅞	18¼	20⅛	19½	20⅜	20½	22	20¼	21⅞	19⅞	21⅛	19⅞	21	20⅝	22⅛	21⅜	22½	20⅞	22¼
Preferred $3.60 series	100	77¼	83½	79	82	76½	79½	76¾	81½	80	81½	80¾	83½	78⅛	82	74	79	70½	74½	71	75½	71½	75	72	75½
Preferred $4.10 series	100	88	90½	90	92	89¾	92	89½	90½	89	91½	91½	94	89½	92	81	88½	81	84	81½	83¼	81½	83½	82	84⅛
Preferred $4.08 series	100	87	89½	90	90	87½	91½	88½	89⅝	91¼	91¼	—	—	90½	92	90	90	79⅞	81½	80½	82	80½	82½	81½	83
Preferred $4.11 series	100	87	91½	91½	92	90	91½	88½	90¾	90	91¾	92¼	94¼	89¾	92½	86¼	89¾	81	86½	80¾	83¼	82¼	84½	82	84¼
Preferred $4.16 series	100	90¼	90½	92½	92½	92½	93½	92¼	92¼	92¼	93½	92½	92½	91⅜	91⅜	—	—	92	92	—	—	84¾	86	83½	84½
Northrop Aircraft Inc	1	22¼	24¾	22¾	24¾	22⅜	23½	22⅛	23⅞	22⅝	25¼	23¾	25¾	24¾	26⅞	26	27⅝	26⅝	29	26⅜	28¾	28	31⅜	28⅞	37½
Northwest Airlines Inc	10	10⅛	13½	12⅜	14⅛	12⅝	14¼	12¾	14⅝	13⅝	14⅞	14⅛	15⅛	14⅞	17⅜	16¾	18¼	17¼	19⅜	18¾	26	23⅝	27½	23½	33⅛
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1⅜	2¼
5¼% convertible preferred	25	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	30¼	34¼
4.6% preferred	25	24¾	25⅛	24⅜	24¾	—	—	—	—	23¼	23½	22⅞	23¼	23½	24	23½	23¾	24	25⅛	24½	25¾	24½	24½	—	—
Norwich Pharmacal Co	1.25	31⅝	35½	31	33⅛	32⅛	35⅞	33½	38¼	35¾	39¾	39	44	41	45	39⅝	44½	40¼	47¼	45¼	50¼	46	50¾	48⅛	57½
O																									
Ohio Edison Co common	12	50⅞	53½	53⅛	54⅞	51⅞	53¾	52⅜	56	54⅜	55⅞	53¼	55⅛	53¼	56¾	53¼	55¼	52⅞	55⅞	55¼	58	56⅛	60½	55¼	60
4.40% preferred	100	94¼	99	97½	99½	97½	99	97½	99⅞	99¼	101½	99¾	103	98½	102	90¼	99	90	93½	90	94	91	93½	90¼	94¼
3.90% preferred	100	84½	91	86	88	87	88	88	90¼	88	92¾	88	92½	84¾	90½	82	86¾	78½	83	79	82	79¼	84	79¼	84
4.56% preferred	100	98	103	99¾	101¼	99¾	101	100½	102½	101¼	102½	100¾	103	100¼	102½	96¾	101	95	98	95	99	94½	98	97	99
4.44% preferred	100	96	97	99	101	98½	98½	100	100	100¼	102	99	101⅛	98	101	91	98	89⅝	91½	89	93½	90	93½	90¼	94
Ohio Oil Co (The)	*	28½	31½	29⅛	31½	29¾	33⅞	30½	33⅝	32½	35⅜	34¾	39⅜	38⅛	42⅝	39⅛	43⅛	39¾	41⅝	39⅛	42⅜	38½	41¾	39¼	41¾
Oklahoma Gas & Electric Co com	10	39⅛	44	42⅛	44½	42¼	45⅞	43¼	45⅞	45	47⅞	47⅞	50	49	50½	48⅛	51	48⅝	55	54⅛	56¼	55½	56⅝	—	—
New	5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	27¼	28	27	29⅞
4% preferred	20	17⅛	17½	17¼	17½	17¼	17⅝	17¼	18¼	18¼	18⅝	18	18⅞	17⅞	18⅜	17⅜	18	17⅜	18	17½	18	17⅜	17⅝	17¼	17⅞
4.24% preferred series	100	92	92	93	95	93½	95	—	—	94	98	96½	98	95	97½	96½	96½	94	95	89	93	89½	90	88½	91
Oklahoma Natural Gas	7.50	26¼	27¾	26⅜	28	27⅝	29¾	29⅜	32¾	30½	32⅝	30¾	33¾	31¾	33⅝	31⅞	33¼	31¾	33⅝	33⅜	39½	37¼	38½	37½	39
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	26⅞	29¼
Olin Mathieson Chemical Corp	5	39	42⅞	37¼	43½	35	39¼	31½	35¼	33¼	35⅛	33⅛	35⅜	33	38¼	35¼	39	35	39⅛	37⅝	42¼	36½	39¾	38½	45⅛
4.25% conv pfd series of 1951	100	95	101	99	101⅞	101¼	102	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Oliver Corporation	1	7½	9⅜	7⅝	9⅛	8	9⅛	8⅜	9⅞	9½	12⅛	10¾	12¼	11	13	12	13¼	11¾	12⅞	11⅛	12¾	11¾	14¼	13¼	15¼
4½% convertible preferred	100	66	72¾	70½	73	71¼	79	76½	79½	77	86	81	85½	80¼	84¾	83	85	84	86½	83	86½	84¼	89	87	94½

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Otis Elevator Co	6.25	40¼	44¼	43⅜	48⅜	48	52¾	50	53¼	50⅝	56	50	54¼	49¾	55	53	56⅜	55¾	59½	55⅛	60½	60	67¼	62¾	74
Outboard Marine Corp	30c	20½	22¾	22⅝	25⅜	23¼	26½	22⅜	24⅞	23⅜	29	23¼	27⅜	22⅞	25¼	24⅝	26¾	26	28⅝	25⅞	27⅞	26⅝	33¼	31¼	35
Outlet Co (The)	*	86½	93½	83½	91½	82½	102	100½	111	96	103	96	104½	103	107	102½	107¾	98	106½	98½	104	100	111	111	118
Overland Corp (The)	1	13½	13½	13	13¼	—	—	12¾	12¾	12½	12½	12¼	12½	12	13	12⅞	13	13	14	14⅛	14¾	15	15½	15¼	15¾
Owens-Corning Fiberglas Corp	1	38¼	41⅝	37½	40½	38	44¾	39⅜	44	40¾	46⅜	45½	49⅞	45½	48¼	46½	51⅜	47¼	55½	52	56	53¾	58⅞	57½	66½
Owens-Illinois Glass Co	6.25	59	65½	63½	65⅛	64⅝	69¼	65½	69	67½	70½	67	72	67¾	74½	72¼	75⅛	72¼	75¼	73¾	81½	79½	85¾	83¼	89½
4% preferred	100	94½	96½	94	96	95¾	98	96¼	99	95¾	98⅝	96½	98½	97	99¾	98¼	99¾	97	99½	93½	98	93½	98¾	97	99½
Oxford Paper Co common	15	25½	30	29	30½	28	30½	29¼	30	30	34	31¾	34¾	33	34¼	33	38¾	31½	34¼	31⅞	35¼	32⅛	33¾	31¼	34¼
$5 preferred	*	87	90	88½	90½	90½	93	92¼	94¼	94¾	96½	95	96½	93	95½	93¾	96	86	93½	85½	91½	91½	94	91½	93¾
P																									
Pacific American Fisheries Inc	5	7⅜	9¾	9	9½	8⅞	9¼	8⅞	11¼	8⅞	9½	9¼	9⅝	9	10⅜	9¼	10	9½	12⅜	10¾	14	10⅛	11⅜	10	12¼
Pacific Cement & Aggregates Inc	5	9½	12⅞	12⅛	13	11⅞	13⅝	12	13⅜	12⅜	13	11⅞	12⅞	12½	14⅞	14	15¾	14⅝	15⅜	15	18⅛	17⅛	19⅞	19⅛	21⅝
Pacific Coast Co	1	11½	12½	10½	13	11	11⅝	10½	11¼	10	11½	11¼	14⅛	14	15½	13½	14¾	13	14¼	12¼	13¼	11⅜	13⅝	11¾	14⅜
5% preferred	25	18¼	18¼	18¼	18¼	—	—	—	—	18¼	19	20	20	21	22	—	—	20⅞	21½	20¼	21¼	21	22½	21⅞	22½
Pacific Finance Corp	10	40	48	45⅝	47⅞	47	50⅝	47½	50⅛	48½	53	47¾	53¼	49¾	54½	53⅝	57	54	56¼	54	63½	62	64½	58¼	62½
Pacific Gas & Electric Co	25	47¾	51¾	50	52⅛	51⅝	54	53⅝	57⅜	55¼	57	56⅝	58¾	54¾	57¼	54¾	57	56	58⅜	55½	58¼	57⅜	62½	59¼	64
Rights		—	—	—	—	—	—	—	—	—	—	15/64	9/32	7/32	15/64	—	—	—	—	—	—	—	—	—	—
Pacific Lighting Corp	*	40⅛	42¾	41⅝	43	42⅜	44	42⅝	45	44⅛	46¼	44½	48	47	48⅞	47¼	48¼	47⅝	49⅜	48⅛	52	50⅝	52½	51⅛	54⅛
Pacific Mills	*	21	22	20¾	22¾	20¾	23	23	24½	23⅛	29½	26	29½	24¾	27¾	27½	29	28	29	27½	39½	37¼	37⅝	—	—
Pacific Telephone & Telegraph Co	100	117¾	123⅜	121¾	124⅜	122¾	126½	122⅝	128	126¼	131¾	130½	135¼	132	133⅞	133⅛	139½	137⅛	141¾	137⅛	146	137¼	149½	138½	150
Common rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	5	5 7/16	4 13/16	6⅛
6% preferred	100	131	137	134	137½	133½	138¾	134½	143	138	142¾	137	142½	135½	139½	134	136	130	136	130½	136	130	138	131	136½
Pacific Tin Consolidated Corp	1	4⅛	5	4	5⅛	4	4⅜	4	4¼	4⅛	4⅜	4	4⅜	4¼	5¼	4½	5¼	4⅜	5	4⅝	5¼	4¾	5½	4½	5
Pan American World Airways Inc	1	12¾	15⅜	13⅝	14⅝	14⅛	14¾	13½	15⅛	14	15⅞	15¾	17	15⅞	17⅝	16⅞	18¼	17	21⅞	19⅝	22⅜	20⅛	23½	20¾	23¼
Panhandle Eastern Pipe Line Co	*	37	44	39	43¼	39⅛	42½	39⅝	47⅝	43½	47⅝	47⅜	49⅞	47¾	51¼	49½	52½	50¼	52⅞	51¼	54¾	52¾	59½	55⅛	62¼
4% preferred	100	90	92	92	92½	95	95½	96	98	94½	96	92	94¾	93	95	94	94	94	94	94	94	93	94	91½	94
Paramount Pictures Inc	1	30⅝	36⅜	33½	38⅜	33⅛	34¾	32¾	37	36⅛	38¼	36¾	40¼	39⅝	43⅝	40½	42½	41¾	44¾	43¼	45¾	45¼	47¾	45½	47¼
Park & Tilford Distillers Corp	1	42	42	43	43	44	51	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Parke Davis & Co	*	53	60¼	59⅛	68½	67½	76	71¼	80⅜	76	81¾	76	82¾	78¾	87⅞	85¼	89⅞	89¾	112	96	107¼	97½	105½	—	—
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	33⅛	35¼	33	45⅛
Parker Rust Proof Co	2.50	19¾	21	19½	20⅞	19¼	20½	19⅜	20½	20½	22⅝	19⅛	22	19	21¼	19¾	21	20	21¼	20½	21⅝	20	21	20⅜	27⅞
Parmalee Transportation Co	*	15¼	18¼	17⅞	18⅜	17⅞	19⅝	17⅞	19⅛	19¼	25¾	22⅜	32¾	27⅞	33⅛	28⅞	32½	30¼	36¾	35⅝	57	42	52	46	52¾
Patino Mines & Enterprises Cons—																									
American shares	1	2¼	3⅜	2⅞	3⅛	2¾	3⅛	2⅞	3⅛	2¾	3⅛	2¾	3	2⅞	3¼	2¾	3	2½	3	2¾	3¼	2⅞	3½	2½	3¼
Peabody Coal Co common	5	7½	9¼	8¼	9⅛	8	9⅜	8⅞	10⅜	10⅜	11¼	10⅞	11½	11¼	13	12	13¼	12⅛	13⅛	12¼	13¾	13½	15⅝	13½	15¼
5% convertible prior preferred	25	19¼	23¼	22⅛	23	22¼	22¾	22¼	23¼	22	23	23	25	24¼	25	22	25	22½	23¼	23	23⅛	20¾	23	21½	23½
Penick & Ford Ltd Inc	3.50	30⅛	32⅝	32	35¼	32¼	34½	32⅛	34⅜	33¼	35⅞	34¾	36⅜	35¼	38¾	38	39¾	37¾	40½	38½	41	41	48¼	42¾	49
Peninsular Telephone Co	*	51	51	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
$1 preferred	25			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
$1.32 preferred	25	25½	26	25	26	26	26½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
$1.30 preferred	25	25	25½	25½	26½	26	26½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Penn-Dixie Cement Corp	1	23⅛	29½	28⅛	30¾	29	30½	25⅝	29½	25⅝	27⅞	27⅛	28⅝	27⅝	33½	30¾	36	32¾	35	34	38¾	35¾	39½	35⅝	37⅝
Penn-Texas Corp	10	3½	4⅜	3¾	4¼	3¾	4⅛	3¾	4⅜	4	4½	4	7½	5⅜	6⅝	5½	8¾	6⅞	8¾	6⅛	8⅛	6¾	7⅞	6½	7⅝
Common rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	⅜	1	—	—	—	—
$1.60 convertible preferred	40	13⅝	17	14⅜	16⅞	15	16⅛	15¾	19½	18	19¾	17⅜	19½	17⅞	19¼	18⅜	23¼	20⅜	23⅝	21½	23¾	20¼	22⅞	20⅜	22½
Penney (J C) Co	*	82½	89¾	86⅞	90	84¼	89½	85½	95	93¼	95½	92	94¾	91½	94½	92½	98¼	94	99¾	95½	99¾	97½	107	105¼	113
Pennroad Corp (The)	1	13⅜	15¼	13¾	15½	13⅜	14	13¼	14⅜	14⅜	15¼	15	16⅛	15½	16½	16⅜	17⅞	17½	18⅜	16¾	18½	—	—	—	—
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3/16	½	—	—	—	—
Pennsalt Chemicals Corp	10	50⅜	57	52¼	56	52¼	57	50	53	49¼	52	50	54⅛	52¼	63½	61	74	66⅛	70⅜	66¾	71¾	70	75½	75½	85
Penn Glass Sand Corp	1	49	51	51	51½	51	52½	50⅛	51¼	51½	52	51	53	54	57⅛	56½	60¾	58½	62	62¼	65	61¾	63	57	62½
Penn Power & Light Co	*	41½	46⅝	44½	45⅞	45	46	45⅛	46⅞	45⅜	48	47⅛	49½	46¾	49¾	47⅜	48⅜	46	49½	46⅛	49¾	48⅝	55¾	55	57¼
4½% preferred	100	97¾	99⅞	99¼	101	100	102¾	100½	104	101	104	100½	104¼	102¼	103¾	99¼	103	94¼	100¼	96¼	99¾	96½	98¾	96¾	100
4.40% series preferred	100	95	98½	97	100	98½	100¾	100	101¾	99½	101¾	98¾	100½	99	100⅝	99¼	100¼	92½	99½	92¾	95	94	97	93⅞	95¾
Pennsylvania RR Co	10	11⅝	13½	11½	13¼	11⅝	12⅜	11½	13⅜	12	12⅞	12¼	13⅝	12½	14¼	13⅝	14⅞	14	17⅛	15	17	15⅞	18¾	16¾	19⅞
Peoples Drug Stores Inc	5	28⅝	31½	31½	32½	30½	32	32	34¼	34	36	35½	35⅞	35⅛	35⅞	36	38¼	37¾	38⅝	38⅛	41⅝	40½	43	41¼	43¼
Peoples Gas Light & Coke Co	25	37	40⅞	39⅞	42⅛	40¼	44¼	43½	47	44¾	48⅞	45¾	48½	46	48¼	42⅝	47½	43¼	46⅝	44½	47¾	46⅝	50	48½	51¾
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	11/32	9/16	—	—	—	—
Peoria & Eastern Ry Co	100	34	37	33	36	32½	36	36	40	40	44	44¾	65	58	60½	55	59½	54¾	69¾	60	69	65¾	68	61	66½
Pepsi-Cola Co	33⅓c	19⅛	22¼	21⅜	22⅜	21¾	23⅛	22⅛	24⅛	23⅞	25⅛	23⅜	24⅞	22⅝	24⅜	23⅜	24¼	23¼	24¾	23⅛	26¾	24¼	26½	25⅛	27
Pet Milk Co	*	50	53	51½	53	51½	52	51½	54	52½	56	50¾	53½	51¼	53½	52⅝	64	62¾	67	63	66	67	83½	80	83¾
When issued		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	40½	41½
4½% preferred	100	95	97	97	98½	100¼	101½	101	101¾	100	102	100	100½	95½	100½	96	98	95	96¼	95	96½	95⅛	99½	98⅜	100
Petroleum Corp of Amer	1	14⅛	15⅛	14½	15⅛	14¾	15½	14¾	16	15⅜	16⅜	16⅛	16⅞	16¼	17⅜	16⅞	17⅞	17	18⅜	17¼	18⅜	17⅝	18¾	17⅜	18⅞
Pfeiffer Brewing Co	5	3	3¾	3⅛	3¾	3⅛	3¾	3⅝	5	4¼	4⅞	4¼	4⅝	4	4¼	3¾	4	3¾	4¾	4	4⅞	4	4½	3⅞	4⅝
Pfizer (Chas) & Co Inc	1	49¾	57¼	54⅛	59⅝	58⅞	65¾	60	65⅞	64½	68¾	64½	71⅜	68⅝	77	68¾	75⅜	72½	86¾	82¼	94	88½	103	95¾	111
4% 2nd preferred (conv)	100	92	93	94	95	96½	100	99	99½	99	99	99	100½	99⅛	99½	99¼	99¼	93¾	98¼	94	96	97½	98	95	96
Phelps Dodge Corp	12.50	37	41¾	39½	42⅝	40⅛	47½	41⅜	45⅝	44½	48	46¾	50	48⅛	53⅛	51¾	56⅜	52⅛	57¾	55⅝	63⅞	58½	64¼	57⅛	61⅝
Philadelphia Electric Co	*	37⅛	39¾	39¼	40	39	39⅞	39⅝	40⅞	40½	41⅞	40¾	42	41½	43¾	41⅞	43⅛	42	43⅜	42⅞	44¾	43½	46¼	44⅞	50¼
$1 convertible preference common	*	21¼	21⅝	21	21¾	21½	22	22	23	22½	23	22⅛	24	21½	23	21½	22	20½	21⅝	21	21⅞	21½	22¼	20½	21¾
4.40% preferred	100	99	103	101¼	104	102½	105¾	103	106	104	107¼	103½	105	103½	106	102	105	96¾	102½	96½	100½	96½	101	98¼	101
3.80% preferred	100	89	93	89½	93½	89	92	90	92½	90¼	92¾	90½	92¼	88	92¼	81	92	81½	88½	82¼	84½	81¼	83½	82¼	87
4.30% preferred	100	94¼	100½	97¼	100¼	97	98	97½	101½	99	102	100	102	99	101½	96½	99	95	98	94½	96½	92	94	93	99½
4.68% preferred	100	102½	103½	104	104¾	103	105	103½	106	105¼	107	105⅝	107	105	107	103	104½	100	103½	100½	102½	103	104	102½	104½
Phila & Reading Corp	1	27⅛	30⅜	29¼	32	31	37	33½	38¼	36⅛	40⅛	38⅜	40½	40⅝	45¼	43⅛	47⅞	48	55⅜	51¾	71⅛	64	72	62¼	69⅝
Philco Corp	3	12⅜	14⅞	14	15⅝	14¼	17⅛	14	15⅞	14⅜	15⅝	15	16⅝	15½	19¼	17⅝	19¼	18⅞	22⅜	21⅛	24	22⅛	26⅛	23⅝	26⅜
Pfd 3¾% series A	100	57½	62¼	61½	64	62½	64¾	62½	65	62	63¾	62	64	62¼	63½	63	65	63	66½	66	67¼	67	71½	68¼	71
Philip Morris Incorporated	5	43	48¾	46⅝	51⅞	48⅝	53⅝	49	50⅝	50½	55¼	50⅜	55½	50⅝	52⅝	51½	53¾	53⅛	56⅛	54⅜	58	56¾	61	59	62
4% preferred	100	74¾	82	81½	84¾	86	89	84½	85½	85	85	84¾	85	82½	85	79	82½	76	78¾	78¼	79½	79½	80½	79	81
3.90% series preferred	100	75	77½	78	85	84¾	86	—	—	83¼	84	83½	83½	82	83	81	82	77¼	77¼	77	78	77½	77½	77½	78¾
Phillips Petroleum Co	5	36⅞	42¼	36⅜	40⅛	36⅝	38¾	36⅞	40⅛	39	40½	40¼	43¾	43	47½	45¾	48½	45	48¼	43⅝	47¾	43¼	47¾	44¼	49¼
Phillips-Van Heusen Corp	1	7½	8½	7¾	8½	7⅞	9	8⅜	9½	8⅞	10	9⅜	10⅜	9½	10⅜	9½	10⅛	10¼	12⅛	10⅝	12	10¼	11	10¾	11¾
5% preferred	100	—	—	—	—	96	96	97	97	95¼	96	96	96	—	—	96	96	—	—	95⅝	96	96	96	96	96
Pillsbury Mills Inc	25	42½	49	46¼	49⅝	45¾	49⅝	49⅛	54½	52½	54¾	54¾	56¾	55⅝	60¼	56¼	59⅞	54½	58	56	65¼	60¼	66¼	62¾	74¼
$4 preferred	*	90	93	94½	94½	93½	95½	95	97	96	98	97½	100½	95½	99½	95½	96½	96	97½	93	95¾	88¾	92	89½	91½
Piper Aircraft Corp	1	14	15⅜	15⅛	16½	15⅞	18⅛	17	18¼	17¼	19⅝	18⅞	22	20	20⅞	19½	21	19¾	22⅛	19⅞	23¼	21¾	24½	21	23⅞
Pitney-Bowes Inc	2	53½	58¼	52½	59¾	54¼	60½	57¾	63	60	64	62	67¾	65½	74½	72	78½	74½	81	79	92½	87	100	90	98½
Pitts Coke & Chemical Co	10	16⅛	19⅛	17	19¼	17⅜	18¾	17⅛	18	17⅛	18½	17¾	19⅞	18	21⅜	19	21⅜	19⅜	21⅜	19¾	22⅜	19⅝	21⅜	19½	22¼
$5 convertible preferred	*	82¾	87	83½	87½	84	85	87½	92	90	90	89	93½	90	92	89¾	90	88¾	89	89	91	89½	91½	90	93½
4.80% preferred (convertible)	*	84¼	88	86¾	89	89	90½	89¾	91½	91	95	95¾	98	97¼	99¼	97	99	95¾	96¾	94½	96¾	88	95	88	92½
Pittsburgh Consolidation Coal Co	1	30½	33⅜	30½	33½	30⅜	32¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pittsburgh Forgings Co	1	14¾	15⅝	15⅛	15⅞	14¾	16⅜	14⅝	15¼	14½	15⅛	14⅝	15¾	14⅞	16⅝	14⅞	17½	15⅛	15⅞	15¼	17	15⅛	16	14⅞	15½
Pitts Ft Wayne & Chi Ry Co	100	—	—	—	—	—	—	—	—	—	—	130½	135	132	133½	—	—	130	130	—	—	128	131	133	133
7% gtd preferred	100	136	140	138	140	131¾	138	128	132½	130	132	131	134	132⅛	134	130	132¾	130	134¼	130⅛	133	131⅛	134	133	135
Pitts Metallurgical Inc	1.25	15⅜	17⅜	17⅛	19¼	17½	19¼	16⅝	18⅛	17	20¼	18	20½	17⅞	23¾	21½	23⅝	22⅜	24¾	23½	28⅜	23½	26	22¾	25¾
Pittsburgh Plate Glass Co	10	69	73¼	67½	72¼	71	78	68⅝	74	69¼	74¾	68½	72½	71½	78⅛	73½	81	73⅜	77¾	73¾	80¼	74¼	79⅞	73	77¾
Pittsburgh Screw & Bolt Corp	1	6¾	7⅛	7	7⅝	7	7½	6¾	7¼	6⅛	7¼	6	6½	6⅛	6¾	6¼	6⅞	6⅜	7⅛	6⅝	7⅜	6¾	7¼	6⅞	7½
Pittsburgh Steel Co	10	14¼	16⅞	14½	16⅛	14⅝	16¼	14½	15⅞	15⅛	16⅞	15¾	17⅜	15⅝	20¾	18⅜	20⅛	19⅜	22½	20⅛	24¼	19⅝	22¼	20⅛	24⅝
5% preferred class A	100	62	67	67	68½	64	66⅞	63	67	65	65	63⅜	65	65	69¾	67¾	69¾	66	70	68¾	73	70	72½	70	72
5½% first series prior preferred	100	69	73	70½	74	69¼	74	69	71	69⅝	71	68½	69¾	69½	77	72½	76	74½	77	76½	80	75	76½	74	78¾
Pittsburgh & West Virginia Ry Co	100	19⅝	22⅜	20½	22⅝	19⅛	21	19⅞	21⅛	17⅝	21¼	17⅞	19½	17½	19¾	19⅛	20	19¼	24¼	20¾	22½	20	22	19½	21½
Pitts Young & Ash Ry 7% pfd	100	120	120	118	122	118	120	116	119	118	120	117	120	125	125	113¾	116	117	118	118	121½	122	123	123½	125
Pittston Co (The)	1	39¾	46½	45⅛	48	45	49	42½	45⅝	45½	53⅞	49¾	54¾	50⅜	64	59	66¾	60¼	66½	63¾	73¼	63⅝	70½	69½	77¾
$3.50 convertible preferred	75	69	80	73	79	74	77	74	76	75	80	83	88	85	95½	90½	98½	90¼	98	98	108	98	106	104	113¼

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS (Par)	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Plough Inc 2.50	19¼	20¼	19½	20¼	19¼	25	22¾	31	28⅛	31¾	30	34	31¼	33¾	31⅝	34¾	32⅝	37	32¼	35¾	34	39½	34¾	38⅝
Plymouth Oil Co 5	23¼	26¼	22⅝	26	21⅞	23¾	22	23½	22⅝	24	23	25½	24½	28⅜	25¾	27½	25	27½	26½	29⅜	27½	32¼	27	29¾
Polaroid Corp 1	43½	51¾	49¼	54½	53¼	65¾	59⅝	64	57½	69¼	55¼	61¼	57¼	64⅜	61	69	66	69⅝	66⅞	89	85¾	109⅝	95	109⅜
Rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1 3/16	1 11/16	1¼	1⅝
Poor & Co 10	16½	20½	17⅝	20½	17½	18⅞	18½	20	18	19⅜	18⅛	19	18⅝	22¼	21¼	23	20¼	26	24⅜	27¾	22⅝	25⅜	22½	24⅝
Porter Co Inc—																								
5½% sinking fund preference 100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	88¾	90
Potomac Electric Power Co 10	22¾	24⅛	23½	24⅜	23⅝	24½	23⅝	25⅛	24¾	25¾	25¼	26	25⅜	26	23⅜	25⅝	23⅜	24⅛	24	25⅜	25	26⅜	25¾	28¼
Rights	—	—	—	—	—	—	3/32	5/32	¼	19/64	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Procter & Gamble Co 2	55	57¾	55	58¼	58⅜	60¾	59¼	61¼	58¾	62	58½	61½	61⅛	68¼	64⅜	68¼	64¼	67⅛	66¼	73½	71½	78⅞	73⅝	76½
Public Service Co of Colorado 10	42½	47	45⅛	49¼	44¾	47⅞	46	48¼	45	48⅝	44¼	48	44½	46⅜	44¼	45⅞	44½	47¼	46¼	49¼	47	49¼	46¾	50¼
Public Service Elec & Gas common *	29¾	32½	31⅝	32½	32⅜	33¼	32¾	35	34¾	36¼	35⅜	36¾	34½	36⅝	34¼	35⅞	33½	34⅞	34⅛	36	35⅛	39	37¼	38⅝
$1.40 div preferred common *	26⅝	27⅞	27¼	28½	27⅝	28½	27⅞	28⅞	28⅜	30½	29	29⅞	28¼	29⅞	27½	28⅞	27	28½	27⅝	28⅞	27⅞	29¼	28⅛	29½
4.08% preferred 100	85½	91	91	93	91½	91½	89	92	89	91½	90	92	90½	92½	89	92	86	88	82	85	82	84⅜	82½	85
4.18% preferred 100	89½	90	92	92½	92	92	90½	95	90⅞	93½	90½	93¼	91¼	92¾	90⅞	92½	89	90½	84	86½	83½	86	83½	85½
4.30% preferred 100	92¼	96	91⅜	95	91⅜	95	95	98	96	97½	95¾	97¼	95	97	94	96	91½	92½	86	91	86⅜	88½	86½	90
5.05% preferred 100	—	—	—	—	—	—	106	107½	105¾	107¼	105¼	107	105	107	100¾	105½	100	101¾	101¾	103¾	102	104¼	100½	102
Public Service Co of Indiana *	37	39⅜	37⅝	38⅜	37¾	39½	38¾	41¾	40	41¼	40½	43¼	40⅝	42¼	40⅝	43¼	39⅞	42	39⅞	41½	41⅛	43¾	42⅛	46
Common rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	[illegible]	3/32	3/32	3/16	—	—	—	—
3½% preferred 100	75	78	76	79	78	80¾	78	80½	78	80¼	77	79	75	77¼	73	75½	70½	73½	70¾	74¼	70¼	73½	70½	72½
4.32% preferred 25	23¼	24½	23¾	24	23	23	24	24	23⅛	24	23⅝	24½	23⅝	23¾	22½	22½	21	22⅛	21¼	22	21¼	22	21⅜	22¾
4.16% preferred 25	22	23	23	23¼	21¾	22¼	22½	23	22½	23	23½	23½	22½	22½	—	—	22	22	21	21¾	20⅛	21½	21	21½
4.20% preferred 100	117	117	—	—	113	117	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.80% preferred 100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	105	109½	108¾	111⅞	111	113½
Publicker Industries Inc 5	5⅞	8¼	6¼	7⅞	6¾	8¼	7¼	8⅜	7⅝	8¼	7⅝	8⅜	8⅛	11	9⅞	11⅛	9⅝	13⅞	11	12⅞	10⅞	12⅝	12	15¼
$4.75 preferred *	67¼	68½	67¼	72	70¾	72	70½	74	71⅛	72½	72	73¼	72	80	77¼	80	77	80	78¾	80	79	81	80½	85
Puget Sound Power & Light Co 10	26⅞	28¼	27¼	28⅜	27⅜	29⅛	28⅛	30⅛	28¾	29⅞	29⅝	31⅜	29½	31⅜	29	30⅜	28¾	29⅞	29¼	31½	29¾	31½	29	35¼
Pullman Inc *	43¼	49¾	47	49¾	47¼	48⅛	46¾	51¾	50¼	52	50⅜	52¾	51½	58½	56¼	59⅜	56¼	58¾	54⅝	59⅜	54¼	60	56¼	59
Pure Oil Co (The) 5	30	32¾	29	32	29⅞	34⅛	31⅞	34¾	33⅛	34¾	34⅜	37⅞	36⅛	39¾	38	40⅜	37	39⅞	39⅜	40¾	39⅜	41⅝	40	45
Q																								
Quaker Oats Co (The) 5	37¾	39⅜	37¼	38⅞	38½	43¼	40¼	43½	40½	43¾	42	46¼	43¼	45⅜	43⅜	45¼	44½	49¼	44⅝	50⅜	49½	52	48½	51½
6% preferred 100	136	143	140	142	138	140½	140	146½	140	145½	142	146½	139	143	133	140½	133	137	131	134	131	133½	131	135
Quaker State Oil Refining Corp 10	24	26	25⅛	26½	25½	27	26¾	28	27½	28⅛	27⅝	28¼	23	28½	23⅝	25	23⅝	24¼	23¾	24½	23¾	24⅞	23½	25⅞
R																								
Radio Corp of America *	30¼	35	32½	35	31¾	33⅞	30⅞	32⅝	32	35⅝	33⅞	36⅜	34⅛	36½	34	36¼	35⅛	38⅝	37	41¾	38½	42⅝	41⅜	48¼
$3.50 1st preferred *	69⅜	74¾	72¼	74¼	70⅞	73¼	71	75¼	74	75½	72	75½	70¾	73½	70	71¼	69⅛	70½	69¼	72	69¾	72½	70¼	72
Ranco Inc 5	17⅞	19¼	17	18	17¼	18⅝	16⅜	17½	16½	17⅞	17	17⅞	17½	19	19	20⅜	19⅜	20⅜	19⅞	23¼	20½	22⅞	21½	24½
Raybestos-Manhattan Inc *	49⅛	52	50½	52	51	52¼	45¼	51½	47	50¼	49	50½	48¾	52	52	54¾	52¼	54½	52½	60¾	55¼	58½	55⅛	57¾
Rayonier Inc 1	14⅛	16⅝	15¼	17	15½	17¼	14¼	15¾	14⅞	16⅛	15¼	18¾	16⅜	20¼	19	21¼	18⅝	22⅛	18	21½	18¾	21¾	19	23⅜
Raytheon Mfg Co 5	21⅝	23⅛	21½	24⅝	21⅞	24⅞	24¼	26¾	25⅜	28¾	28	35½	30¾	35¼	32½	36⅞	36¾	40¼	38¼	57½	49½	54⅞	53½	69
Reading Co 50	23⅜	25¼	22	24⅞	22	23⅜	21½	23⅛	19½	22⅜	19⅛	22¾	19¼	21⅞	20⅝	22	20⅝	23⅝	21⅜	22⅞	21¾	23½	21⅞	23¾
4% non-cum 1st preferred 50	32½	34¾	32½	34¼	32½	33	32	32⅞	33	34	33½	34	31¾	33½	32½	34	32	33	32½	33⅝	32½	33⅜	32¾	34⅝
4% non-cum 2nd preferred 50	26½	28¾	27⅜	28¾	27¼	30	26	27	26⅝	27½	25¾	27¾	27	27¾	27	28¼	27½	29½	28⅜	29	28	29½	29½	30½
Real Silk Hosiery Mills Inc 5	—	—	—	—	—	—	—	—	—	—	35½	36	—	—	—	—	—	—	43	52	—	—	—	—
Reed Roller Bit Co *	17⅝	19⅛	19¼	22½	19⅛	20⅞	18¼	19⅞	17¼	19	17½	19⅝	19	23⅞	20⅛	25⅞	20	21½	20⅛	22¼	19½	21	19¼	20⅜
Reeves Bros Inc 50c	6	7½	7¼	8	7⅛	7⅝	7	7⅞	6¾	8⅛	7⅝	10⅛	9	10¼	8⅞	10	8¾	10	9⅝	14¼	10¾	13¼	11	12⅞
Reichhold Chemicals 1	—	—	—	—	—	—	—	—	—	—	31½	43¼	41⅜	51½	42⅝	47⅝	42½	47⅝	42⅜	47¾	42⅝	46¼	44½	59⅜
Reis (Robert) & Co—																								
$1.25 div prior preference 10	3⅛	6⅜	4¾	5	4⅛	5	4¾	6¼	5⅛	7	5	7¼	5⅜	6⅝	5½	6¼	5¾	6⅝	5¾	7	6½	8½	6	7⅛
Reliable Stores Corp 10	13⅛	13⅝	13½	14⅛	13⅛	13⅝	12⅞	13⅜	12¾	13⅝	13¼	14¾	14⅛	15	13¾	14½	13⅞	16⅝	15¾	18	15½	16⅞	16⅛	16¾
Reliance Electric & Engineering Co 5	31	34	32½	35	32⅛	33¾	32½	33⅝	32⅜	34	32⅞	36⅜	34½	40¼	39¾	42⅛	41½	46	46	50¼	44¾	50¼	41	49½
Reliance Mfg Co 5	21	21½	20⅛	21⅞	20¼	21¾	20½	21½	20½	22	19¼	21¼	17½	19¼	17⅝	18½	17	18½	17⅜	19¼	17¼	19⅜	16⅛	17¾
Convertible pfd 3½% series 100	54	54	54½	56	56¾	57	56¼	57	59	60	58	60⅜	57	59½	57⅛	58½	55⅝	57½	55¼	57½	—	—	54⅛	57½
Republic Aviation Corp 1	16½	21	17½	20¼	18¾	22¾	20⅝	23¼	21	28⅜	25⅝	29½	26⅜	28⅜	25⅝	28⅜	26	29	25⅛	28⅛	26⅛	28⅝	25½	29
Republic Pictures Corp 50c	5	6⅞	6¼	7⅛	5¾	6⅞	5	6	5¼	6⅜	6⅛	7⅛	6¼	7	6⅜	7⅛	6¾	7½	6	7⅛	6¾	9½	8½	9⅞
$1 convertible preferred 10	9½	11	10⅛	11⅛	10	10⅜	10	10½	10	12⅛	12⅛	12⅝	12	12¾	12⅝	13¼	12½	13	12⅝	13	12⅝	14½	13½	14¼
Republic Steel Corp 10	39⅝	43⅞	41¼	43⅞	39¾	44⅞	37¾	41⅞	41¼	46⅝	45¼	48⅜	46½	55½	52⅝	58¼	56⅝	62⅛	61	67⅞	64⅞	71¼	68⅛	77⅝
Revere Copper & Brass Inc 5	22¾	29½	24⅝	29	24¼	27⅝	22⅝	26⅞	22⅛	24½	23	24⅜	24	29¾	28¼	30¾	29¼	31⅝	30½	35¼	34	38¾	36⅛	39⅜
Revlon Inc 1	25¾	29⅜	27⅝	29⅝	28	33¼	30	33⅛	30½	32¼	29⅞	33⅞	31⅛	33½	32⅞	38⅜	36⅞	44⅞	39	44⅝	41½	47⅜	46	54½
Rexall Drug Inc 2.50	8⅛	10	9¾	12¼	11⅝	14	12⅝	14¾	14¼	16¼	14	16⅜	14⅞	16¼	16¼	19¼	18⅝	26¼	22⅜	30⅜	27½	30⅞	29	33¼
Reynolds Metals Co 1	32¼	36¾	35⅜	38¼	37½	45	37⅛	39¾	37½	40⅝	39⅛	42	40⅜	52½	51⅛	56⅝	54½	67¼	62	70¼	—	—	—	—
When issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	62¾	64½	63½	70	66⅞	78⅛
4¾% preferred series A 50	41⅝	45½	43⅞	45¼	44	45	43⅜	45	44¾	46	45¾	46⅞	44½	47	44¾	46⅝	44	46¼	45¼	47⅛	45	45¾	45⅞	47½
Reynolds (R J) Tobacco class B 10	63⅞	67¾	65⅝	69¾	67	72¼	71⅝	75½	73¼	78	72⅞	75⅞	72⅛	76½	74½	77	76⅞	90⅜	84½	89¾	84	90⅛	84¾	90¾
Common 10	—	—	83⅛	83⅛	—	—	—	—	—	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—
3.60% preferred series 100	78½	82¾	82½	86½	84½	85½	85	86½	86½	87¾	84	86¾	83¼	84½	82	83¾	82½	83¾	81¼	83¾	81⅜	82¾	80½	81¾
4.50% preferred series 100	94¾	98½	98¼	99½	97¼	100	98½	101½	100	102½	99	101	98	100⅞	97¾	102	100½	102	—	—	—	—	—	—
Rheem Mfg Co 1	10½	13⅛	11⅞	13⅜	11⅞	13¼	11⅛	12⅜	11⅛	12½	11⅞	14¾	12¾	14½	13¾	15½	13⅜	15¼	14⅛	15⅝	14½	18½	17⅞	20⅛
Rhodesian Selection Tr Ltd 5 shillings	1⅞	2⅛	1⅞	2⅛	1⅞	2½	2⅛	2⅜	2	2⅜	2⅛	2½	2⅛	2⅜	2¼	2½	2¼	2⅝	2⅜	3	2½	2¾	2¼	2⅝
Richfield Oil Corp *	57½	64⅜	55	63½	55½	63½	58	64¾	61⅝	73⅜	74	89⅛	84¼	97¼	84½	95¼	85	91½	85¼	92⅝	89¼	105½	96½	109¾
Rights	—	—	—	—	1 1/16	1 9/32	⅞	1 3/32	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Riegel Paper Corp 10	19½	22⅝	22	24⅛	22⅞	24¾	21½	24¼	23¼	28¾	26	27¼	27⅛	30⅜	28¼	30⅛	29⅞	36¾	33¾	38	33¼	38¾	34¾	36¼
Ritter Co Inc 5	22⅝	23½	22¾	23½	23½	29¾	27¼	34⅞	31⅛	35⅝	31¼	35½	34½	36⅝	33½	36⅝	33¾	35¼	31½	34⅝	32½	42	39¾	44½
Roan Antelope Copper Mines—																								
American shares	4	4¼	4	4¼	4	5	4⅜	4¾	4¼	4⅝	4⅜	4⅞	4¼	4⅞	4½	5⅛	4½	4¾	4⅝	5⅝	4⅝	5⅛	4⅜	5
Robertshaw-Fulton Controls Co com 1	22¼	24½	23	25¼	23¼	26⅜	23	24¾	23⅛	25⅜	24⅜	26¾	24¾	27⅞	26⅝	29½	27	29¾	27⅜	29¾	29	32⅞	31¼	35¼
5½% convertible preferred 25	29⅛	31	29	29	30	31½	29½	31⅜	28½	31	30½	32	28	28	28⅜	32	29½	32	29½	31	34	34	34½	34¾
Rochester Gas & Electric Corp *	28¼	31½	30¾	31¾	31⅝	33⅞	32¼	36¼	35¼	36¾	36	37¾	33⅝	37½	34½	36⅛	34⅝	36	33¾	38¼	37⅛	39⅜	37¾	41¼
Rockwell-Standard Corp 5	22⅝	27⅜	25	27¼	25⅛	26½	24¾	26⅜	25¼	26⅜	25⅛	28	26⅛	28¼	27	28⅜	27⅜	29⅝	28⅝	30⅜	27¼	30⅜	28⅛	29⅜
Rohm & Haas Co common 20	315	353¾	335½	351	315½	339	312	350	345½	400	357	375	351½	384	378½	405¾	401	411½	403	447	431½	465	465	505
4% preferred series A 100	90	96	93	94	—	—	—	—	94½	96	94½	96	—	—	—	—	—	—	90	91	90	91	90	92
Rohr Aircraft Corp 1	22½	25½	24¼	25½	24¾	25⅞	25⅛	27	26½	29½	28⅜	29⅞	28½	32⅛	29⅛	30⅞	29⅝	30½	28¾	33¾	32⅜	37½	34¾	37⅞
When issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	22⅛	25½
Rome Cable Corp 5	21¼	21⅞	20⅛	21	18½	20¼	17¾	20	18¼	20	20¼	21⅛	20¼	22	21	23¾	21½	23⅞	23¼	24⅝	22	25	25	32½
Ronson Corp 1	9⅛	10½	8½	10⅛	8¼	9⅛	7⅞	8¼	7⅞	8⅜	7⅞	8⅜	7⅞	8⅜	8⅛	9⅜	8½	9¼	8⅞	9⅜	9	12¼	10¼	11⅝
Roper (Geo D) Corp 1	—	—	—	—	—	—	14⅝	16½	15	16½	13¾	14⅞	13½	14¼	13¾	17½	15¼	16⅞	15⅝	18¾	16⅞	19⅛	18¼	20⅛
Royal Dutch Petroleum Co 20 Guilders	37¼	40¾	37⅝	41⅛	38⅝	42	40	46¼	43	46⅞	43¾	46⅞	41¼	46⅛	43⅛	46⅛	43¼	46⅝	46¾	51⅝	49⅛	53¼	46	50¾
Rights	1	1⅛	1⅛	1⅜	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Royal McBee Corp 1	18¾	20½	17⅞	21	16⅝	18⅞	16	17¼	16	18¼	16¾	19⅛	17⅞	19⅛	18⅞	20½	19	21½	20⅛	25¼	20⅛	24⅝	21	25¼
Ruberoid Co (The) 1	30½	34	33⅜	37⅜	34½	37¼	32¾	35⅞	32½	35½	34⅛	35⅞	34⅜	37⅜	36⅝	39⅝	38	40⅛	37¼	39⅝	37⅞	40¾	38⅛	40¼
Ruppert (Jacob) 5	8	9¼	9	9½	9¼	10¼	9	9½	8½	9½	8¾	11	8⅞	10	8⅞	9⅜	8⅞	9¼	9⅛	10¼	9	10⅜	9⅛	11⅝
S																								
Safeway Stores Inc 1.66⅔	24½	25¾	25⅛	29¼	27¾	30¾	29	31⅝	30	31¼	29½	31⅛	28⅜	30⅞	29⅜	34¾	33⅜	35¼	32⅜	34⅝	33½	36⅝	34⅞	41¾
4% preferred 100	84¾	89	87¾	90	89½	92	91¼	93½	92¼	93¾	92	95¼	90¼	93⅝	86¾	92½	85½	88	85	86¾	85	87¾	84½	86¾
4.30% convertible preferred 100	161	164	185	185	180½	197½	193½	201½	195	197½	200	200	191	191½	—	—	—	—	—	—	224	233½	230¼	230¼
St Joseph Lead Co 10	22¾	26	22¾	27	23¼	25¾	23	25⅜	24½	26⅞	25½	28⅞	26	29⅝	28	30⅜	27½	31¾	30½	35¼	31¾	35⅜	30¾	34⅝
St Joseph Light & Power Co *	24	26⅜	25¼	26⅝	25⅞	26⅞	26	27⅜	26⅞	28½	27¾	29¼	27½	28¾	27⅝	28¾	27⅜	28⅛	27	30⅝	29⅝	30¾	30¼	31½
St Louis-San Francisco Ry Co—																								
Common *	10½	13¼	10⅝	13¾	10¾	12	11	13	12⅜	14⅜	13¾	15⅞	14⅜	17¼	15⅞	17⅜	16¼	19	17½	21⅜	18⅛	21¼	19¼	21⅜
Preferred series A 5% 100	53¼	57½	55⅝	58¼	54¾	57	53	61¼	58½	61½	59½	62	61	66	65	67½	64½	66¾	65¾	73	69	73	68¾	71¼
St Louis Southwestern Ry Co 100	235	260	235	261	235	245	235	240	245	245	240	245	245	375	308	369	325	375	—	—	—	—	—	—
6% non-cumulative preferred 100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	215	215	—	—	—	—	—	—
St Regis Paper Co 5	26¼	31⅜	30⅛	32⅜	28⅝	31⅜	28⅝	33¼	31¾	33¾	32⅝	34⅞	33⅝	38¾	36¼	39⅜	38⅝	40½	40	45½	42⅝	46	43¾	46⅞
1st preferred 4.40% series A 100	90	93	93	94	93½	95	94	96	93¾	96	95¼	96	95	96	95	96	94⅞	95	93⅞	94½	96¼	97	94	97
San Diego Gas & Electric Co 10	20⅝	22½	22¼	23	22⅝	24	23⅛	24	22¾	23¾	23⅛	24⅜	22½	23¾	22⅛	23⅛	22¾	24⅝	23⅛	26⅞	25⅝	26⅝	25¾	26⅞
Sangamo Electric Co 10	34	34½	32¼	34¾	32½	33¼	28½	32¾	26⅜	29½	25⅛	28½	25	27¾	26¼	27¾	27	28⅝	27	28⅝	27⅛	33⅜	33	36¾
Savage Arms Corp 5	13¾	14⅛	12⅝	13¾	12	12⅞	10¼	12⅝	10¼	11⅜	10¼	11	10⅜	11½	11	13½	12⅞	14¾	13½	14⅜	13⅛	14	14	16
Schenley Distillers Corp 1.40	18⅝	20	18½	20⅛	19⅜	23¼	21⅛	22⅝	21⅜	23⅛	22	24⅝	22¾	28	27⅛	33⅝	30	39⅛	36¾	48⅛	42	46⅝	42⅝	47¾
Schering Corp 1	32⅞	36⅝	33¾	39⅛	37⅞	44¼	38½	43	36⅛	41¾	36⅜	38⅜	37	41¼	39⅛	44¼	41⅞	46⅜	45	51⅛	47¾	58¾	54⅝	61⅝
5% convertible preferred 30	34½	35	34	34¾	34⅜	35¼	34¼	35⅝	35⅛	35¾	35	35½	35	35⅞	35½	36	35	37	36	37⅝	37½	45	44	46

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Schick Inc	1	12⅛	14⅛	12½	13¾	10¾	12½	8⅝	11¾	9⅜	10⅜	9	10¼	9	10¾	9¾	10⅞	10½	12	11	14⅞	12½	16¼	13½	15⅜
Scott Paper Co	*	57⅜	60⅛	55¾	61¼	61	64¾	61½	64½	62⅛	65⅞	65¾	68	64½	67⅝	67	71⅛	68⅛	70¼	67½	70	69⅛	74⅜	71¼	74⅞
$3.40 preferred	*	78	84	80	83	80	82	81	83¾	81½	84½	82	84	84	86	81½	82½	77	78½	75	79½	75	77½	78	79¼
$4 preferred	*	94	99½	94	96½	96	97½	96½	98	96½	98	97	98½	97	99	96¾	97	—	—	92	95½	94	95½	94	95½
Scovill Mfg Co common	25	21⅞	27⅛	21⅛	28	21½	22¾	20	22⅜	19	20⅞	19	20⅜	19⅜	22¼	22	25	22	26¼	23⅜	28¼	22¾	25⅜	22½	24¾
3.65% preferred	100	77¾	80	81	81	81½	84	85	85½	81	81	81½	81½	—	—	82	82	78	79½	72¼	76	71	74½	73¼	75
Seaboard Air Line RR Co	20	21½	24½	21⅜	24½	21⅞	24	21⅛	24⅞	23⅝	26⅜	25¾	27⅜	26¾	30¼	29¼	34⅜	33⅛	39¾	34	37¼	34⅝	38	35¾	38⅜
Seaboard Finance Co	1	17½	19⅝	18¾	19⅝	19¼	20½	18¾	20	18⅞	20⅛	19¾	20⅜	19⅞	20⅞	19⅞	22½	21⅞	23¾	21½	22⅞	21½	22¼	22¼	25
Seaboard Oil Co	1	53⅝	63½	51¼	58⅜	55½	61	60¼	67	63	67¾	66	66½	—	—	—	—	—	—	—	—	—	—	—	—
Seagrave Corp (The)	5	8⅞	11⅜	10⅛	11¾	10	10½	9	10⅜	10⅛	10¾	10⅜	11¼	10⅝	13⅛	11¾	12⅝	12½	16	13	14½	12⅞	14½	13¼	14⅝
Sealright-Oswego Falls Corp	5	24	27¾	25¼	27	26⅜	29	27¾	30¾	30⅜	32⅜	32¼	34¼	32⅞	37½	34	36⅞	33⅜	37	36¾	42⅜	37	44½	42¼	48½
Sears Roebuck & Co	3	25	26⅞	26⅛	27⅛	26⅜	27¼	26½	27⅜	27¼	29¾	29	29¾	29½	30½	30⅜	34⅛	31¾	33⅝	32⅞	34¼	34	37¾	36¼	40
Seiberling Rubber Co	1	11¼	12¾	11⅜	12	11	11⅜	10½	11¼	10⅛	12⅛	11¼	11⅞	11⅛	13⅝	13	13¾	13	16¾	15	17⅜	16⅝	18⅛	17¾	19¾
Servel Inc	1	4⅜	5¼	4½	5⅛	4¼	5⅛	4½	7	6¼	8¼	6⅞	9	7½	10	7⅞	9⅛	7¾	9	7¾	11	9	10½	9⅝	11
$4.50 preferred	*	67½	76	71½	79	68½	81	81	90	85	89½	82	88½	81½	87¼	82½	88¼	81½	83½	80	88½	86	94	91½	110
Shahmoon Industries Inc	2.50	8⅞	13⅝	10⅛	12⅝	10½	12¾	11⅛	12½	11	12½	12	15⅞	13⅛	16¼	14	16½	13⅝	15½	13⅞	15⅜	12⅝	14¾	13¼	15⅜
Shamrock Oil & Gas Corp	1	27¾	30⅞	26⅞	31	28¼	32⅛	29¼	34	32¾	35⅜	35¼	37½	37	39¾	37½	40	37¾	39¾	37⅛	42⅜	41½	46½	41¾	46⅝
Sharon Steel Corp	*	26	31	27	29⅞	26¼	29⅛	25½	28	26¼	29⅝	26¾	29⅞	26⅞	34⅜	31⅛	34⅜	31¾	37⅜	33⅞	39⅝	34⅜	39⅞	36	38¼
Shattuck (F G) Co	*	8¾	9¾	8¾	9½	8¾	9⅜	8¾	9¼	8⅞	9¼	9	10½	10	11⅜	9⅝	11¼	9¾	11⅜	10⅜	12¾	12	15⅝	13⅝	17
Shell Oil Co	7.50	60	67¾	58	64	60¼	70¾	66½	71¾	71	77¼	71⅜	77	75	83	80	85	80	84¾	80½	85⅝	75½	85⅛	78¾	85⅛
Shell Transport & Trading—																									
New York shares ordinary	£	18½	20⅛	17⅛	20⅝	17½	19⅛	18¼	21⅜	20	21⅞	20¼	21⅝	18⅞	21⅛	19⅝	21⅛	19⅝	21¼	21⅜	23¾	21½	23½	20⅝	22⅜
Rights		—	—	1/32	11/32	3/32	¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sheller Mfg Corp	1	14⅞	16⅞	14¾	16⅝	15½	16⅛	15⅛	15⅞	13½	15¼	13⅞	14¾	14⅛	15⅞	14½	17	14¾	20⅝	16½	20⅜	17	19	16⅞	18½
Sheraton Corp of America	50c	10	11¼	10⅜	11¼	10¼	12¼	11	12	11⅛	13	12⅜	14	13	13⅞	13¼	15⅛	14⅜	16¾	15⅞	18⅜	17¼	21½	18½	20⅞
Siegler Corp	1	14⅜	16⅛	13⅞	15½	13¼	14⅜	13½	14¼	13¼	14⅛	12¾	14	12¾	14⅛	13⅛	15¾	14⅛	17½	16⅛	19	18¾	30⅜	25½	32½
Signode Steel Strapping Co	1	24	25½	23¼	24¾	23¼	25⅛	22	24	22¾	27½	25½	27¼	26¾	31	30¼	31¾	31	35	33	37	35¾	40	37	39½
Simmons Co	*	33¼	40¾	38	40¾	38	41	37¼	40	38½	39⅞	36⅞	38⅞	37½	40⅜	38⅜	41⅞	39⅝	41⅞	40	43	42½	50½	45	46⅞
Simonds Saw & Steel Co	*	50½	59	54¼	58¾	55	57½	55¼	61	57¼	60	56	61½	60½	64½	60½	64½	62½	66¾	66	70¼	64	69¾	65	69½
Simplicity Pattern Co	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17⅛	18⅞	16⅞	18	17⅛	18⅜	18⅛	19¾	18⅞	20½
Sinclair Oil Corp	5	47	50½	46½	51⅜	46⅜	51¾	49¾	54⅜	53¼	56⅜	55¼	60⅜	57¾	62⅜	58½	63⅝	59	61⅝	59½	61⅞	59½	63⅜	60¼	66⅝
Skelly Oil Co	25	51½	55	48	54¾	48¼	59¼	54	58½	55⅜	59	56¾	63⅜	60¾	68½	64¼	70⅛	65¾	72⅜	64¾	71½	64¾	70½	63¼	69½
Smith (A O) Corp	10	26¼	30¾	27	28½	26⅛	28⅞	25¾	29⅞	28¼	33⅜	32	34⅝	33⅛	36⅞	34⅛	37⅜	36½	39⅞	36	41⅞	38¼	43⅞	39½	46¾
Smith-Corona Marchant Inc	5	15⅜	19¼	17¼	19½	17¾	18¾	15⅞	18⅛	15⅞	17⅛	16¼	18¾	—	—	—	—	—	—	—	—	—	—	—	—
When issued		—	—	—	—	—	—	—	—	—	—	18⅜	18½	17⅛	18¼	17¼	19¼	18	22⅛	19¾	23½	20⅛	22	20	22¼
Smith-Douglas Co	5	14⅜	16½	15	16	15⅛	16⅜	15	16	15¼	17⅜	16⅝	18	16¾	18¾	18	19⅜	18⅝	23⅛	21	23½	21	23⅝	22	25½
Smith Kline & French Labs	33⅓c	58¾	66¾	64¾	68¾	66⅝	71	67¾	73	71	75¼	74¾	79	78¼	92	84½	89½	85	92	90	95	91	107	103	110¼
Socony Mobil Oil Co Inc	15	44½	49⅞	45	50½	45¼	50¼	47⅝	52½	48½	51⅝	48⅞	51½	46⅜	52⅜	47⅛	50¼	46½	49⅝	47¼	51⅝	47½	50⅛	46⅝	49
Solar Aircraft Co	1	16	18⅞	16⅝	18	15⅞	17	15½	17¼	16	18⅛	17½	19⅜	17	18½	17⅜	19⅝	17½	18½	17¼	19	17¾	20¼	18⅜	21⅞
So American Gold & Platinum Co	1	6⅞	8⅛	7⅝	8⅜	7⅜	8½	7¾	9⅝	8⅜	9½	8½	9⅞	9	10⅜	8½	10⅛	8¼	9⅛	8⅛	9⅝	7⅞	8¾	7⅝	8½
South Carolina Electric & Gas Co	4.50	20¾	24	23	24¼	23⅜	25	24½	26¾	26¼	27	26¼	28¾	27	28½	27⅝	29¾	27⅝	29¾	28¾	32½	31¼	34¼	32½	34⅞
Rights		—	—	7/32	¼	3/32	¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5% preferred	50	47⅜	49¼	47½	51⅞	50	50¾	49¾	50⅜	49	52	49½	51½	50¾	51	49½	49⅝	48⅞	49½	48	49	48	49	49⅞	51½
South Jersey Gas Co	5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	36¾	38¾	36¾	38⅞	37¼	39	39	48¾
South Porto Rico Sugar Co	5	25⅝	28¼	27	28½	26¾	28¾	26	28½	26¾	28⅜	26⅛	28¼	26⅛	29⅛	26½	30½	26⅛	27½	25¾	28⅛	26	29¼	28½	34¾
8% preferred	25	32½	34½	34⅛	34½	32¾	34¼	32⅝	35¼	35	36	35	36	33½	35½	33⅝	34¾	34	35	34	35¼	33½	34½	34	36
Southern California Edison Co	25	49⅝	52⅛	51⅛	51⅞	51⅝	55	54	57¼	54⅝	56½	55⅜	57⅛	54½	56½	53⅜	57¼	53¾	56⅞	54⅛	56	55⅝	59½	57¼	61¼
Southern Co (The)	5	24¾	26⅞	26⅛	27⅛	26¾	29⅝	28¾	29¾	29	29⅞	29⅝	31⅞	31¼	33⅜	29⅜	31¾	29⅞	32⅝	32⅛	34⅛	33¾	35⅞	35¼	37⅝
Southern Indiana Gas & Elec	*	28¼	29¾	29¼	29⅞	29½	30½	30⅛	32⅞	32½	33	32½	33¾	32⅞	33⅝	33⅛	33⅞	31⅞	33⅝	32¼	33⅝	33	34⅛	33½	35
Southern Natural Gas Co	7.50	33	36⅜	33⅞	36⅜	34¾	36⅛	35⅝	40¼	36⅝	40¾	37½	39	38¼	40⅞	38¼	40¼	38	39⅞	39½	42½	39⅝	43⅛	40½	44¼
Southern Pacific Co (Delaware)	*	34⅝	39¾	36⅞	40	37⅛	39¼	37½	42⅜	41⅝	44¾	43¾	46⅛	46⅛	52	50½	54½	51¼	55⅞	53⅝	59⅛	56¾	62⅜	59⅝	65¾
Southern Railway Co	*	30	34¾	31¼	34¾	31⅛	35	31½	38½	36	39½	38½	42	41¼	47	40¾	48	46⅛	50⅞	48½	53	49¾	55	50¾	56
5% non-cumulative preferred	20	16⅜	17⅜	16⅞	17¾	16¾	17⅜	16½	17½	17	17⅝	17⅝	18⅞	17¾	19	17¾	18½	17½	18	17⅜	18	17⅝	18½	17⅞	18¾
Mobile & Ohio certificates	100	77	77	78	78	—	—	76	76	77	77	76	77½	77	77	76	76¾	72	74½	72	72½	70	72½	70	72
Southern Public Service	1	32	34½	32⅞	34⅛	33⅝	34⅝	33⅞	35⅝	34¼	36⅞	33¾	35¼	34⅜	36⅝	33⅞	35¼	34⅛	35¼	35	37⅞	36⅞	38¾	37¾	40½
Spalding (A G) & Bros Inc	1	12	14	13½	14	12¾	14	12¼	13⅜	13	14½	14¾	17	16⅝	17¾	17⅜	19½	18¾	20¾	20⅝	22½	21¾	22½	22	22⅜
Sparton Corp	2.50	2¾	3½	3	3⅞	2⅞	3¼	2⅞	4	3¼	4	3½	4½	4	5½	5	5¾	5⅛	6⅜	5½	6¾	5½	6½	6½	7¾
Spear & Co $5.50 preferred	*	47	47	48	66	66	80	75	90	80	90	87	90	85	95	90	95	85	89	91	95½	—	—	90	90⅛
Spencer Chemical Co	6	53¼	59¼	55¼	58	53⅜	59½	49½	53⅞	51½	57⅝	54¼	59½	53	58½	55¾	58¾	56¼	65	62⅝	67½	60	67	57⅝	61¾
4.20% preferred	100	88	88	90½	90½	91	91½	92	92	89⅜	89⅜	91½	92	90½	91½	89⅜	89⅜	90	92	90	90	87	90	87	89½
Spencer Kellogg & Sons Inc	1	12⅛	15	13⅛	14⅜	12¾	13¾	12¾	14½	13⅜	14⅜	13½	16⅜	15⅛	16½	15¼	16½	15½	17½	16½	17½	16¾	18⅝	17⅛	18⅝
Sperry-Rand Corp common	50c	18⅛	20⅝	18½	20⅜	17⅞	19	17¼	18⅛	17¼	19½	18	19⅞	18¼	20⅜	19⅛	21⅛	19¼	20⅜	19⅞	22½	20⅞	24¾	22½	25⅜
$4.50 preferred	25	85½	94½	90	93	90	91¼	90¼	91½	90½	95	90¾	93	90¼	92¼	89¼	92¼	89½	92	90¼	92½	90½	92½	92	94
Spiegel Inc	2	9⅛	11	10⅝	12⅝	12¼	14¼	12¾	14½	13⅞	15½	14⅞	17⅜	16½	18¾	17¾	19½	18⅝	23⅜	21¾	27⅜	21⅞	27½	20⅝	23¼
$4.50 preferred	*	62½	68	65⅝	67½	66	70¾	70	72¼	71⅛	74½	71¾	73¼	73½	77	75	79½	78¼	79⅞	75	79	76¼	78¾	76½	78
Square D Co	5	21⅛	23⅞	21¾	23½	22⅛	24⅝	21⅜	23⅜	21¼	23¼	20⅛	22⅜	20¼	25⅜	23¼	26¼	24	27½	24½	27⅝	24¾	28⅝	27½	31½
Standard Brands Inc	*	40⅛	45⅞	43¾	46¼	45¼	47⅝	47¼	53⅝	50⅛	53⅞	51	55¾	52⅛	55	50	55	50⅝	57⅝	54¾	60	57¾	61½	60⅛	69⅛
$3.50 preferred	*	77½	81¼	78¾	84	78	80⅞	80¼	84¾	83¼	85½	80¾	84¼	78	82½	74	80¾	74⅛	76	74¾	76¾	75⅛	77⅛	75⅞	78½
Standard Coil Products Co Inc	1	6	8¼	7¼	7⅞	7¼	7⅞	7⅛	8⅛	7¼	8⅝	7¾	8¼	7⅝	9¾	9¼	10⅜	9⅛	10⅛	9⅛	11½	11⅝	17⅝	13¼	16⅞
Standard Gas & Elec Co ex-distrib		3	3⅛	3	3¼	3	3⅛	3	3⅛	3	3⅛	3	3⅛	3	3¼	3	3¼	3	3⅛	3	3¼	3⅛	3⅜	3⅛	3⅜
Standard Oil of California (Del)	6.25	44⅞	47	43¼	47¾	43½	47	46	50¼	48	50⅞	48⅞	53⅛	49⅛	53⅞	49¾	53	50½	55⅝	53	58¼	55¾	61⅜	57½	60¼
Standard Oil Co (Indiana)	25	35⅞	38½	35½	37⅜	36½	42	38⅝	42⅞	41½	44⅛	43¼	47⅛	45⅞	49⅝	47⅝	49⅞	46⅝	48½	46⅜	49¾	45¼	50	45½	48
Standard Oil Co (New Jersey)	7	48¾	51⅞	47½	51¾	48¼	51¾	50⅝	55⅝	52⅜	55⅞	53	55⅜	51⅜	55½	54⅛	57⅛	55¼	58⅜	56¼	60⅛	56¾	60¼	54⅞	59⅜
Standard Oil Co (Ohio)	10	43⅛	44⅞	42⅝	44½	42⅝	48¼	45⅝	48½	47¼	50¼	47⅝	51½	51⅛	55⅞	55½	58	54⅛	57¾	54⅛	57⅜	54⅝	58⅛	54	59⅞
3¾% preferred series A	100	88½	91	91	92	91	92½	92	94	94½	94¾	94	94¾	88	90½	88	88	86½	88½	87	89¼	88½	89	86½	89½
Standard Packaging Corp	1	10½	14⅜	13	14⅞	13¼	14⅜	12⅜	14½	12¾	14⅝	14⅜	18¼	16⅛	18⅝	16⅝	18¼	16½	22½	20	23½	22	24⅜	23⅛	29⅝
When issued common		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17	19	—	—	—	—	—	—
$1.60 convertible preferred	20	36	44⅝	40½	45¾	43	45⅜	39⅛	45⅛	40½	45	45	54¾	49	56	49¾	54¼	50	67	62	70	67	72	71	89
$1.20 convertible preferred	20	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	23	26⅞	26½	29½	27⅞	30	29¼	33⅞
Standard Ry Equip Mfg Co	1	12	13½	12⅞	13⅜	12⅝	13⅛	12½	12⅞	12½	13	12⅝	14	12¼	13⅞	12⅞	13⅜	11⅝	13½	11⅜	12⅜	11½	12⅜	11⅝	13⅜
Stanley Warner Corp	5	14½	16⅛	14⅞	16	15¼	16¾	16¾	18	15⅜	17⅜	15⅞	17⅞	16⅞	17¾	16⅛	17⅛	16⅛	16⅞	16	17⅝	17⅜	18¼	16¾	18
Starrett Co (The L S)	*	58	61	57	60	60	60	60	61½	61	74¾	66½	71½	66	69¾	66	68	64	67½	61¼	66	62½	66	63	69½
Stauffer Chemical Corp	10	62	68¾	60¼	64	61¼	63½	59	62⅝	59¾	63½	63¼	67⅞	65	75½	72½	79½	77¾	84¼	79¼	94	86	94½	92	102¾
Sterchi Bros Stores Inc	1	10⅞	12	11¾	12⅜	11¼	11⅝	11⅜	12⅛	11⅜	12⅛	11⅜	12⅛	12	12⅝	12⅛	12⅞	12½	13⅜	13⅛	13¾	13⅜	14½	13	14⅜
Sterling Drug Inc	5	29⅝	32	32⅛	34¼	32⅜	34⅝	32¼	40¾	35½	39½	35¼	38⅛	37¼	40⅜	37½	40¼	37¾	44¼	40¾	44½	41	46⅞	46¼	54
Stevens (J P) & Co Inc	15	17½	19⅝	19⅛	20¼	19⅛	20¼	20	22⅜	20½	21⅞	19⅝	21⅜	19¾	24¼	22	24⅜	22⅝	26	25¼	27½	25	27¼	25⅜	27
Stewart-Warner Corp	5	29	32	29⅝	31⅜	29	30⅜	29⅜	34⅜	32¼	34	33¼	35⅜	35⅛	37	36	39⅛	38¼	39⅜	39⅛	42	39¾	45¼	42	45¼
Stix Baer & Fuller Co	5	15½	17	17	17½	17	17½	17¼	18½	18	18⅞	17	19¼	18⅝	20⅞	19¾	20⅜	20	21	20⅜	21	20⅛	21⅞	20½	22
Stokely-Van Camp Inc	1	10⅜	12¾	11	12⅜	11½	12⅝	12⅛	13⅛	12½	14	13⅛	15⅞	14¼	15⅞	14⅝	15⅞	15	16	15	16¼	14¼	15¾	14	15½
5% prior preferred	20	15⅜	16½	16⅜	17	16½	17	16⅜	17⅛	16⅞	17¼	17⅜	18⅛	17½	18	17½	18	16⅞	17⅝	17¼	17¾	17¼	18¼	17⅛	18¼
Stone & Webster Inc	1	37⅛	43⅜	39⅞	43⅜	40	45	42¾	46½	42¼	45⅜	44¼	45⅝	44¼	48¼	47¼	51½	51⅜	55¼	52	56¼	54¼	60¾	54⅞	60½
Storer Broadcasting Co	1	20	24½	21¼	23⅜	21¼	23¼	22⅛	23¾	23½	25⅜	23¾	24¾	23¾	24¾	23½	26	24⅝	26	21¼	24⅞	23⅝	25⅛	24⅝	26⅜
Studebaker-Packard Corp	1	2⅞	3⅞	3	3¾	3	3⅜	3⅛	4¾	4	6¾	5⅛	6	4⅜	6	5½	6⅞	6⅝	10	8¼	16	12⅝	15¾	13⅝	15½
Sunbeam Corp	1	42	45¾	39⅛	42½	41⅛	46¼	40	45¾	44	46¼	46	49¼	48	54	49¾	54⅞	50	54	50⅞	54⅛	52¼	65	62	66¼
Sunstrand Machine Tool	5	15⅞	19	17¼	18¾	17	18½	16⅝	22	19	21⅝	18⅛	19½	18½	23½	23⅛	25¼	20⅞	24⅛	22½	24⅜	22⅜	25⅜	25	28½
Sun Chemical Corp	1	9⅛	11¾	10⅛	11⅛	9¼	11¼	9	10	9¾	10½	10¼	11¼	10⅛	10⅞	10½	12⅜	10⅝	11½	11⅛	12⅜	11⅜	12⅛	11⅜	12⅛
$4.50 preferred series A	*	79	79½	79¾	81	80	82	79¼	83½	83	83	83	84	83	85½	83	85¾	82½	84½	83½	84	85	87	85	87
Sun Oil Co	*	64¾	69	60	64½	62½	65¾	59	64¾	59	65¼	60	65⅛	60¾	65	64	68½	64	66¾	60	67⅜	59½	66¾	61	64
Sunray-Mid-Cont Oil Co	1	20⅜	23	21	23¼	21⅜	23¾	22½	24⅞	24	25⅜	24	25⅝	25¼	27⅜	26	27⅛	25⅝	26¾	25⅜	26⅝	24½	26¼	25¾	28⅛
4½% series A preferred	25	22½	24	22⅝	23¾	23¼	24¼	24¼	25¼	24½	25¼	24½	25	23¼	24⅝	22¼	24	22⅜	22¾	22¾	23½	22¼	23¼	22⅜	24⅜
5½% 2nd pfd series of 1955	30	31½	33¾	31¾	33⅛	30⅝	32¾	32½	34⅞	34	34¾	33¾	34¾	34¼	34¾	33	34¾	33¼	34¾	33	33⅞	33½	36	35⅛	38
Sunshine Biscuits Inc	12.50	72	77½	75⅜	81½	78¼	83¾	81¾	84¼	82	87½	85½	89	85¾	90	83¾	89¼	85½	87½	85¼	87⅝	84	85½	84¼	97
Sunshine Mining Co	10c	6⅞	9¼	7⅜	8⅞	7¼	8⅜	7	8⅛	7⅜	8¾	7½	8⅛	7⅜	8⅝	7½	8⅝	7½	8⅜	7⅞	9⅛	7⅝	8½	7¼	8
Superior Oil Co (California)	25	1490	1680	1360	1590	1390	1490	1390	1485	1465	1565	1480	1625	1590	1760	1720	1865	1720	1835	1705	1800	1715	1812	1725	1855
Sutherland Paper Co	5	32	35⅝	32¼	34⅜	31¾	35	31¾	34¾	33½	34⅞	33¾	37½	35¼	40¾	38½	40¾	39¼	42½	38¼	41⅛	36½	40	37⅜	39½
Sweets Co of America	4.16⅔	19½	19¾	19⅞	20	19⅜	20½	20¼	22	22	23	20¾	21½	20¾	21¼	21¾	23½	23	25½	23	24	23	24	23¾	29½
Swift & Co	25	29¾	34½	31¾	33	32¼	34⅝	33½	35¾	33⅜	35⅜	32⅞	35½	33⅜	35¼	34¼	38¼	35⅝	37⅞	35¾	38¼	33⅛	38⅛	32½	36½
Sylvania Electric Products Inc	7.50	31½	37⅜	34¾	37½	35	36¾	34⅝	36½	34½	36⅜	34⅝	36⅜	35½	38½	36⅞	41⅝	40⅝	45¾	43½	51	50⅛	57⅞	54⅛	61½
$4 preferred	*	72½	84	80½	83	80	82	80	81½	80⅜	83½	80	83½	81	83	79	81	77⅛	80½	79½	82	81½	94¾	93	97½
Symington-Wayne Corp	1	7½	9⅛	7⅝	8⅜	7⅜	8½	7¾	8½	8¼	9⅜	8½	9¾	9⅜	12¾	11¾	13⅝	11⅝	12⅞	11½	13¼	11⅝	12¼	11⅛	12⅝

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
T																									
Talcott Inc (James)	9	18⅝	21	20¼	21⅜	21	23¼	22½	24½	23⅛	24⅜	23	25¼	23⅛	24	23⅜	24½	24⅛	27	27	30	28⅞	34	29⅜	36½
Telautograph Corp	1	3¾	6⅞	5	6¼	4⅝	5⅝	4½	6¾	6⅛	7	5⅞	7⅞	6¾	7⅝	6⅝	7½	6⅝	8	7¼	8⅜	7¼	9⅞	8¼	9½
Temco Aircraft Corp	1	9¾	12⅜	11	12⅛	11	11⅞	11¼	13⅛	13	14⅝	13¼	14⅜	13	14⅛	13⅛	16⅛	14⅞	15⅞	13⅞	15¼	14⅛	17¼	16	20⅜
Tennessee Corp	2.50	35⅝	41	37	41¼	37¾	46	42¾	46⅞	45¾	48½	48	50⅝	47	53	50½	53½	51	55¾	53½	56¾	55½	58½	50¾	56⅞
Tennessee Gas Transmission Co	5	—	—	—	—	25¼	26⅛	25½	28⅛	27⅜	29⅜	28⅛	29¼	28⅜	30⅛	29⅝	31¾	30⅛	32⅞	31⅝	33⅞	32	35¼	31⅞	36⅝
Texas Co	25	59¾	63¼	55¾	60¾	57⅞	63⅛	61⅞	68⅛	63⅞	68⅞	66⅛	72¼	65¾	72⅝	69⅞	73¼	70	76¾	76	82½	80⅜	87	83¾	89
When issued		—	—	—	—	—	—	—	—	65	65	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Texas Gulf Producing Co	33⅓	22⅝	27¾	23½	27¾	24⅝	29	25½	27¾	26½	29⅜	27¼	32½	29½	34¾	33⅛	37	32	35	32⅛	36	32	36⅞	30	33¼
Texas Gulf Sulphur Co	•	15	17⅜	15⅛	17⅛	15⅛	19¼	17⅜	18⅞	18½	20⅛	19½	21½	19½	22⅞	21	23½	20⅞	23¾	21½	23⅜	21⅞	24⅜	21	22¾
Texas Instruments Inc	1	26¾	30⅛	27⅛	29⅛	27⅜	30¾	30¼	35⅞	34⅜	37⅝	35⅛	40¼	37¾	44½	42⅞	50½	44⅛	47¾	47	62⅜	58⅝	80	64⅛	86
Texas Pacific Coal & Oil Co	10	28⅛	31	24⅞	31	25½	35½	30⅞	34¾	32	36⅜	33⅛	35⅜	33½	37	35⅛	39¼	34⅜	37⅝	33⅜	37¼	34½	39¼	36¼	39⅛
Texas Pacific Land Trust— Ex-Distribution	1	6¼	8¼	7⅜	8¾	8⅝	9¼	8⅛	9⅜	9½	12⅛	11⅛	12½	10⅞	12⅜	12¼	13⅞	12¾	15	13⅝	16⅜	15	16⅜	15⅝	17¼
Texas & Pacific Ry Co	100	98¾	125	106	120½	110½	112	101	107	102¼	105	106¼	115	107	112¼	109	115	108	120	114	122	119	133	115	125
Texas Utilities Co	•	44½	50	46¼	48⅞	46¾	48⅜	46⅛	50⅜	47¼	51¾	47⅜	50	50	52⅞	51¼	53¾	51¾	55¾	55½	60¼	59⅜	63¼	62	67
Textron, Inc.	50c	10⅞	12⅝	12¼	13¼	11¾	13¼	9⅞	12¼	10¼	11⅝	10⅞	12½	11	12⅞	12⅛	13¾	13⅜	16½	15⅜	19¼	17⅝	19⅝	17⅞	21⅞
Common rights		—	—	—	—	—	—	—	—	—	—	—	—	7/64	3/32	—	—	—	—	—	—	—	—	—	—
$1.25 convertible preferred	•	15¾	17⅝	17¼	17¾	16⅞	17¾	16¾	17¾	16⅞	17½	17⅜	18	17½	18⅜	18¼	20¼	19	20¼	19⅜	22⅛	21½	22⅞	21¾	24
Thatcher Glass Mfg Co Inc	5	22½	24½	22	23⅞	22¼	26⅜	24¼	27⅜	27¼	30¼	27⅝	29⅞	28⅜	32⅝	31¼	34⅜	32⅜	33¾	32¾	35	34½	38⅜	33½	37
$2.40 convertible preferred	•	55¾	58½	53	56½	54⅞	63	58½	65	65	71	66¼	71½	68½	77	76	78	—	—	—	—	—	—	—	—
Thermoid Co	1	10½	14¼	12	13⅜	11¾	12⅛	11½	11¾	10⅝	11½	10⅝	11¼	10⅜	11¼	11½	13⅛	11½	13⅜	12	13¼	13¼	14	13½	14⅞
Convertible preferred $2.50	50	42¾	50	47¼	48½	46¼	46¾	45¼	46⅜	45⅜	46⅛	45½	46	45¼	47	46¾	55⅛	55⅛	55⅛	54⅞	55⅝	—	—	—	—
Thiokol Chemical Co	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	89	102
Thompson (J R) Co	15	—	—	13¼	13⅝	13⅛	13⅝	13	15½	15	16¾	16¼	16⅞	16½	19⅞	18⅝	19½	19¼	22	20½	23¾	23	27¾	26	28¾
Thompson Products Inc	5	46¼	55¼	41⅜	49⅜	42	47⅞	42⅛	46	43½	46¼	45¼	51⅛	49½	60¾	55⅝	58⅝	55	58¾	55⅝	63	59⅛	70	63¾	73
4% preferred	100	86¼	87½	87	88½	85	86¼	85½	88	87	90	87	88	84½	87	85½	85½	83	84½	81¾	83½	82	83	83	83
Tidewater Oil Co	10	20	23⅜	20½	23½	20⅝	23	21	22¾	20⅝	23⅜	—	—	—	—	—	—	—	—	—	—	—	—	—	—
When issued		—	—	—	—	—	—	—	—	21½	22¼	21⅜	24⅛	23¼	25⅞	24½	28½	23⅜	26¼	24⅛	26⅞	22	24¼	22½	24⅞
$1.20 preferred	25	23⅝	24⅞	23⅞	24¾	23¾	24½	23¾	25½	23½	24¾	23⅜	24¼	22⅝	24¼	22⅜	23⅜	22	23¼	21¼	22½	21⅛	22¼	21⅜	22½
Timken Roller Bearing Co	•	31	35⅛	32¼	36	32⅜	35¾	32⅜	36¼	35¼	37¼	36½	39⅞	39¼	43¼	42⅜	45	42¼	45	41¼	46	41⅝	46¼	42¼	45½
Tishman Realty & Construction	1	16¼	21	17⅝	20¾	17⅝	19½	18⅛	19⅛	18⅜	19⅛	18	18⅝	18	20½	20	22⅜	20½	24	20¼	23⅝	23	26	20⅛	26¼
Toledo Edison Co (The)	5	12¼	13¼	13	13⅜	13	13½	13¼	14¼	13¾	14¼	13¾	14⅝	14⅜	15	14½	14⅞	14½	14⅞	14⅜	15	14⅝	15	14¾	16⅛
Trane Co (The)	2	42	44¾	44¼	47	45½	51½	45⅞	50	49	53¾	51⅞	54¾	53	57¼	55½	61¾	57½	61½	58½	64¾	59¾	64¾	61	65½
Transamerica Corp	2	31¼	36½	36	38¼	36⅝	39⅝	38	40⅜	38⅝	40½	40	43	42⅞	43⅝	—	—	—	—	—	—	—	—	—	—
Ex-distribution		—	—	—	—	—	—	23⅛	25⅜	21⅞	23	22⅜	25⅜	24	26	24⅜	26⅜	25½	28⅞	25⅝	28½	28⅞	32⅜	29⅛	31⅜
Transue & Williams Steel Forging	•	23⅜	33¼	26	37	27½	30¼	25¼	29	24¾	31¼	26½	30¾	26½	29⅜	27⅜	29¾	29	31½	28¾	32	28½	32	27	28⅞
Trans World Airlines Inc	5	10½	13⅜	12⅛	13	12⅛	12⅞	12⅛	12¾	11⅞	13¼	11¾	12¾	12	14⅛	12¾	14⅝	13¼	14¾	13½	17⅜	15	16⅜	15¼	16⅞
Tri-Continental Corp	1	27½	29⅝	29	30⅛	29¾	31⅝	30⅝	32⅞	32¾	34⅝	33¼	36	33⅜	36⅛	35⅞	40¼	37	38½	37½	39¼	38⅜	40⅝	38¾	40½
$2.70 preferred	50	53	57	56	56¾	56⅛	57½	57	58	56⅛	57¼	56	57½	55⅝	56⅝	53½	56	53	55	52½	54	53¼	55⅜	54	55⅞
Truax-Traer Coal Co	1	16¾	19⅜	17½	19⅛	17½	18¼	17½	19½	19	22	20½	21¾	21⅛	23¼	22¾	24¾	21¾	23⅜	21½	23½	20¼	25⅝	20	22½
Preferred series A (convertible)	50	44	44	43	43½	—	—	—	—	47¾	49½	48	48½	48½	49¾	—	—	48¾	49½	49½	53	50	53	50	51½
Tung-Sol Electric Co common	1	23¾	25⅜	23¼	25	24¼	26⅞	24	25⅛	24⅜	25¼	24⅞	28	26⅝	27⅞	27¼	29¾	27¼	29⅛	27¾	32¼	30	34	33¾	36½
5% prior preferred series of 1957	50	45	47½	46⅞	48	46⅜	47	46⅛	47	46	47	46¾	50⅜	49¾	50¼	50	50½	49	50⅜	49½	52¼	52¾	55¼	54	55½
Twentieth Cent-Fox Film Corp	1	21¾	25⅜	24	25½	23⅝	25½	22¾	27	25⅛	31⅛	28⅜	31½	28⅞	32	30½	34¾	31¾	35	31⅛	34⅝	31¾	42⅛	35¾	40½
Twin City Rapid Transit Co	•	10⅛	13	11¾	12¼	12⅛	13⅛	12	12⅞	12	12⅞	12⅛	15⅜	12⅜	13¼	12⅛	12¾	11¾	12⅝	10½	12½	11¾	12⅜	11¼	12¼
5% conv prior preferred	50	32½	36	—	—	36	36	—	—	—	—	—	—	—	—	—	—	—	—	36	37	38	38	36⅜	39½
Twin Coach Co	1	3⅝	6¼	4⅞	5½	5	5¾	5	7⅞	7⅜	8¼	7⅞	9¾	9⅛	11⅞	10¾	13⅛	11¼	13¼	11¾	15⅛	12⅝	14	12⅜	14½
TXL Oil Corp (The)	1	13½	16⅛	13⅜	16	14⅛	17⅛	15⅛	17⅝	16¾	19⅜	18⅝	21½	19	21⅝	20	22¾	19⅝	21⅜	20⅜	26⅞	21⅜	25¼	21	23⅝
U																									
Udylite Corp (The)	1	11	12⅜	10⅝	12⅞	11	12½	10¾	11⅞	10⅜	11⅜	9⅝	11¼	9¾	10⅛	10	11⅜	10¼	10⅞	10¼	11⅞	10⅜	11½	10⅜	11½
Underwood Corp	•	12⅞	15½	13⅛	16⅜	14½	17½	15⅜	19¾	18	22	18	20⅛	18	19¾	18	19⅞	18¼	21	18⅝	21	18	20⅜	18¼	23⅜
Union Asbestos & Rubber Co	5	5½	6⅞	6⅝	7⅞	6½	6⅞	6⅝	7⅜	7	9⅛	8¼	10¼	8½	9¾	8	8⅞	7⅞	9⅞	8⅝	10⅜	8⅜	9⅞	9	11½
Union Bag-Camp Paper Corp	6⅔	32⅝	33⅞	31¼	33½	30½	33	30½	33½	33	35½	32¼	35⅜	32⅛	37⅜	35¼	38⅜	35½	40	37¾	41⅜	39¾	44	39½	43¾
Union Carbide Corp	•	91⅝	98	86⅝	94⅜	86⅜	95½	83⅞	88¼	84½	89⅝	86⅝	92¾	89¼	104⅛	103	110½	108⅛	113⅜	111¾	116½	114¼	120¾	117¾	126¼
Union Electric Co common	10	27¼	29⅝	28⅝	29⅝	27¾	28⅞	28½	30	28⅞	29⅞	29⅝	31	30½	32½	29⅜	32⅜	29⅜	30½	30⅛	32¼	30⅝	32⅜	30⅞	32¾
$4.50 series preferred	•	96¾	100¾	99¼	102½	99	100¾	99½	102	100	102½	100⅝	103½	100	102	95½	100½	92	96	92	95½	93	95½	92½	95
$3.70 series preferred	•	—	—	81½	81½	—	—	82	84	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
$3.50 series preferred	•	73½	78	78	80	79½	81	77	81	78	79¼	78¼	79½	78½	80¾	74	78⅛	70½	74	71	74	73½	76	71¼	75
$4 series preferred	•	87	92½	90	92½	87	88½	88	94	92	92	89½	93	86¼	89½	84½	86½	82	84½	81⅛	85	80½	83	83	84½
Union Oil Co of California	25	40⅝	44	41½	44⅛	42¾	46¼	43¾	47	45¾	50⅝	47½	54⅜	45¾	49¼	46½	51⅛	47⅝	50½	43⅛	48⅞	43	46½	43	46⅜
Union Pacific RR Co	10	24¼	27⅜	25½	28¼	25⅞	27¼	26	29¼	28⅞	30¼	28¾	30⅛	29	31¼	30¼	31⅜	29⅞	31¾	30⅜	32½	32⅜	36⅜	34½	36¾
4% non-cum preferred	10	8¼	9	8½	8⅞	8⅛	8¾	8	8⅞	8½	9	8½	8¾	8½	8¾	8⅜	8¾	8	8½	8	8⅜	8⅛	8⅜	8⅛	9¼
Union Tank Car Co	•	26¾	30⅜	28¼	30½	29½	30⅝	29	31⅜	30⅝	31⅞	30¾	32¼	30⅛	32¼	31	32	31¼	34½	33⅛	35¼	34	36	34	37¼
Union Twist Drill Co	5	21½	23⅞	20½	24¼	20½	23½	20¼	23⅛	18½	21¾	19	19⅞	19	22⅛	19½	22¼	20⅝	21⅜	20½	23¾	20⅛	21⅛	20⅛	21
United Airlines Inc	10	21¼	27⅛	25½	28⅜	25¼	27⅜	23¼	25⅝	24	27	26⅛	27⅞	27⅛	30½	28¼	31⅞	28⅛	30¼	29⅜	32½	26¾	33⅝	28⅝	31⅜
United Aircraft Corp	5	52½	58⅝	52⅝	56	54⅜	59¾	56⅜	60⅝	60	64	61¼	63⅜	62⅝	68⅞	63⅛	69⅞	62⅝	66½	60⅜	63⅜	62	65⅜	58⅛	64¼
4% convertible preferred	100	111	120½	111½	114	—	—	119¼	125	128	128	129	132	130½	141	133⅛	143	136	135	130	135	134½	135½	122½	130½
4% (series of 1956) conv pfd	100	91	97	93¼	95	93	99	97½	99	97½	102	99	102½	100	107	101½	108	100	104½	98½	102	101	104¼	99½	103
United Artists Corp	1	15¼	17⅞	17⅜	19½	18	20½	19	22⅞	20⅞	23	21	23⅝	21½	22⅞	22⅝	24⅜	22¼	24⅝	22⅜	26½	24⅝	26¼	24	27⅛
United Biscuit Co of America	•	31	33⅞	32¾	34⅜	33⅝	35⅜	30	37	29⅞	32¼	30½	32	30⅝	32¾	30¼	31¾	30	31⅜	27½	31⅝	27⅛	28½	27¼	29⅜
$4.50 preferred	•	93	99	99	99	100½	100½	—	—	99½	100½	97½	100½	—	—	—	—	96	99	91	93½	95	95	96	96
United Board & Carton Corp	10	19	20½	20½	21⅝	21	23¼	20½	25⅜	23¾	26½	22¾	24	21½	25⅞	24	25¾	25½	32¼	28	32¼	28	31	24⅞	30¼
United Carbon Co	•	45	49½	48	50½	48	51	48⅝	53⅞	49¾	54¼	53½	58⅝	56¾	62½	57¾	62½	59¾	68¼	66¾	79¼	67¼	74⅜	65¼	75
United-Carr Fastener Corp	5	38	39½	39¼	41	39¼	40	37½	39	36	38½	37⅜	39¾	36¾	42¼	39⅞	41¾	39½	44½	39⅞	45	42	43¼	43½	48
United Corporation (The)	1	6⅝	7⅛	7	7¼	7⅛	8⅜	7⅜	8	7⅞	8¼	7¾	8¼	8	8¼	8	8⅜	8	8⅜	8	8⅜	8	8½	7⅞	8½
United Dye & Chemical Corp	1	1⅝	2¼	1½	2⅜	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
United Electric Coal Cos	5	22⅜	23⅝	24	24¾	24¼	24¾	22½	25	25¼	26½	25¾	28½	27½	29⅞	28	30	27⅞	28½	25¾	30¾	29⅞	34⅝	29¼	32
United Engineering & Foundry Co	5	11¾	14¼	12⅝	14⅛	12¾	13⅝	13	13⅝	13	13⅞	13½	14¼	13¾	15⅞	15	15⅝	15½	16	15¾	16⅜	15⅜	16¼	15½	16¼
United Fruit Co	•	34⅞	40¼	39	44⅛	41⅛	45½	44⅛	48⅝	47	48⅛	47¾	49¼	46¾	49¼	47⅝	50⅞	46⅞	50⅞	45¼	48⅞	40¼	47¾	38⅞	41⅞
United Gas Corp	10	27¼	30¼	29⅛	30	28¾	30⅛	29	33	30⅜	32⅛	31¼	32¾	31½	34½	33⅞	35½	32⅞	36	33½	35⅝	35¼	39⅛	37	40⅝
United Gas Imp.ovement Co	13½	34¾	37¾	37⅝	39¾	37	38	37⅛	40½	40	40⅞	40⅞	44½	44	45½	44⅛	45½	42¼	45	44½	45⅜	45	46½	46½	50
United Greenfield Corp	10	—	—	13⅛	15	12¼	14¼	11⅜	14	11⅛	12¼	11⅜	12¼	11¾	13⅜	12⅛	13⅛	12½	14¾	14½	16¼	15⅛	16⅛	15⅛	16¾
United Industrial Corp	2	5½	6⅝	6⅛	7¼	6¼	7	6⅝	7¾	7⅜	9	8⅛	8⅞	8¼	10	9½	11⅜	10½	12⅛	11	14½	12	14⅝	13⅜	17¾
United Merch & Mfrs Inc	1	10⅞	12¾	12¼	13	12⅜	13⅛	12¼	13⅞	13⅛	14⅛	13¼	14½	13½	14⅜	14	15⅛	14½	16½	15⅛	17¼	16¾	18¼	16½	17⅞
United Park City Mines	1	13/16	1⅛	1	1⅛	1	1⅜	1	1¼	1	1¼	1	1¼	1⅛	1⅜	1¼	1⅝	1¼	1⅝	1⅜	2⅛	1½	1⅞	1⅜	1¾
United Shoe Machinery common	25	32	37	36⅞	39	37¾	43⅜	39	42	40⅞	43½	43½	45½	40	45	41¾	44¼	42½	47⅝	41¼	45	42	44¾	42½	47¾
6% preferred	25	34½	36¼	35¾	37	36½	37¼	36½	37	36¼	37½	35⅞	36⅝	35¾	37	34	36¼	33	34⅜	32½	34	32½	34¼	33	34
U S Borax & Chemical Corp	1	42	48⅝	34¼	44½	35½	39¾	33⅜	38⅜	35	41⅝	39⅛	43¼	37½	41⅞	40¼	45⅜	38⅛	41¾	36¾	40⅜	35½	41½	40	46⅜
4½% preferred	100	85	90	84	87	80	82½	80	82½	81¾	85	84	86	85	85	78½	86	78½	80	79½	84	78⅞	84	78	83
U S & Foreign Securities Corp	1	26¼	29⅜	26⅝	29¼	27	29	26¾	29½	28¼	31⅞	31	32⅜	30⅛	34¼	33⅜	35½	33½	37	33¼	37¼	32	36	32¼	34⅞
U S Freight Co	•	21½	24¼	22⅛	23⅛	21⅝	22⅞	21¾	23¾	22⅛	23⅝	22¼	32¾	30⅛	33	31⅝	39¾	37⅜	42¼	39	47¾	45⅞	50½	48	57½
Rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3⅝	5¾
U S Gypsum Co	4	65½	74	69	76	69½	72¼	70¼	77¾	72¾	79	75⅝	80½	78¼	89¼	86	93	84½	90¼	85	91	88	99	95¼	102
7% preferred	100	167	170	169	169	162	164	159½	166	164	171½	168	171	168	171	167¼	168	153	165½	155	159	155	158	156	163
U S Hoffman Machinery Corp	82½c	6⅛	7⅝	7¼	8⅛	7¼	10⅛	9¾	10¾	10¼	11⅛	10¾	12	11¾	13½	13¼	15¼	13	16½	9½	13¾	10⅛	11¾	10	11⅝
5% preference class A	50	25	27½	27	30⅛	29	31	31	33	31¼	34½	33½	39½	37	38½	37½	39¾	36	41½	33¼	35¾	32¼	33½	32¼	36½
U S Industries Inc common	1	8¼	10⅜	9⅛	10¼	9	10	9⅛	9⅞	9⅛	9⅞	8¼	9¾	8⅝	9¾	9⅛	10⅛	9¼	10¾	9¾	11⅞	9⅝	11⅛	9½	11½
4½% preferred series A	50	39	41	43¼	47½	43¼	43½	43¼	43⅜	42¾	43½	42¼	42½	43	44½	44	44	43¼	43¼	42⅝	43¼	42⅝	42⅝	42	43
U S Lines Co	1	23⅞	28	25¼	27⅞	25⅞	27⅛	25¾	29¼	27⅝	30¼	27	28⅞	28½	30¼	29¼	30½	29⅝	30⅞	30	31¾	30¼	32⅞	30⅜	31
4½% preferred	10	8⅝	8⅝	8¾	9	8¾	9	8⅜	9	8½	8⅞	9	9⅛	9	9	9	9	8½	8⅞	8¾	9	8½	8¾	8¼	8⅞
U S Pipe & Foundry	5	18¾	22	21¾	23¼	22	22⅞	20½	22½	21⅜	23⅝	22⅜	24½	22¾	25½	24⅝	26⅞	24½	26¾	24⅞	27⅝	25⅜	28⅝	25⅝	28
U S Playing Card Co	10	66	71	69¼	72¼	68⅜	72¾	71	74¼	74	77¼	74½	77½	75¼	81¼	80½	84½	82¼	85	83	88	84¾	95	88	93
U S Plywood Corp	1	27¼	30¼	27	29¾	26⅜	28⅞	26⅜	27½	26⅝	30⅛	29⅛	33⅞	32⅞	35⅝	34⅝	39¼	37¾	40¼	36	39⅞	37⅜	43⅛	39½	41⅞
3¾% cum preferred series A	100	77½	80	79½	79½	78¾	80¼	77½	78	75½	75½	73½	76	74	74	74	74	73	73½	75	77	75¼	75¼	74	77
3¾% preferred series B	100	82	86	87	87	90	92	—	—	90	91	87	89¼	88½	92	91¼	96	98¼	100	94¼	97¾	97¾	105½	104	108
U S Rubber Co	5	32⅜	34¾	31¾	35½	31¾	34½	31½	33⅝	31⅝	33⅜	32¾	34⅝	31⅞	38¼	37	41⅞	40¼	42¾	40⅛	44¾	42½	48¼	44¼	47⅜
8% non-cum 1st preferred	100	146	154	149	153½	145½	151½	140	146¼	143	145½	144¾	151	147¾	151	142	150½	140½	143½	140½	144	142½	150	146	150½
U S Shoe Corp	1	21⅜	23⅛	22⅞	23½	23	25⅞	24⅞	25¾	25½	26½	25¾	26½	26⅜	28½	28½	30	29¼	30	29½	31	31½	36¾	33½	36½
U S Smelting Refin & Mining Co	50	25¾	31¼	27	30½	28⅜	33⅜	29¾	34¾	32¼	35¼	32½	35¼	33½	36¾	33½	37	32⅞	38	37	41½	35⅝	39½	33⅛	37⅜
7% preferred	50	46¾	52½	49¼	51¾	49	51	49½	51¼	49½	50½	49	50¾	49⅛	53½	49⅞	53¼	48⅞	51	49½	53	50	51½	49⅛	51
U S Steel Corp	16⅔	51⅝	57⅜	55⅛	59⅛	57⅜	61¼	55½	61	59⅝	65¼	62⅞	67	65	72⅝	68¾	76¼	73¾	80	78⅞	87½	82⅞	90⅜	84½	97½
7% preferred	100	148½	156⅜	149	153½	148½	151	147¾	155½	151¼	154¼	151	158½	151½	156⅜	145⅜	152	143½	148	143¼	147¼	144½	148	147	149½
U S Tobacco Co	•	19¾	23⅜	20⅝	22⅝	20¾	25⅞	22¾	24⅞	22⅝	25	22¾	32½	25¼	29⅜	25¾	28	25¼	28½	24⅜	26¾	24⅝	27⅝	23½	25⅞
7% non-cum preferred	25	35⅛	37¾	35½	37½	36	36¾	37⅜	38¼	37	38¾	36¾	38⅛	36½	38¼	36	37	35	36½	35¼	36½	35	37	35¾	36⅜

NOTE: All stock footnotes shown on page 17.

1958 — NEW YORK STOCK EXCHANGE STOCK RECORD — 1958

STOCKS	Par	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
United Stockyards Corp	1	10	12⅜	11½	12	11¼	12⅛	10½	11¾	10½	11⅝	11	11⅝	11⅛	12⅜	12⅛	12⅝	11⅞	14¾	12½	14¾	13⅛	14½	13½	15½
United Stores Corp—																									
$4.20 non-cum 2nd preferred	5	5¾	7	5½	6½	5½	5¾	5½	5⅞	5½	5⅞	5⅜	5⅞	5⅛	5¾	5½	6	5¾	6⅛	5¾	7⅜	6⅛	10⅞	6¼	6⅞
$6 convertible preferred	*	68⅝	83	79	85	82	86½	79½	82½	79	82	79¾	81½	79½	81½	80	82½	82	87	87	88½	85	90	85	90¾
United Wallpaper Inc	1	5¾	7¾	6⅞	7⅜	6¾	7	6½	7⅝	7	7⅜	6⅞	7¼	6½	7	6½	7⅛	6¾	7¼	6¾	9¾	8⅛	9¾	8⅛	8⅞
Class B 2nd preferred	14	15½	15½	—	—	15¼	15¼	14	14	13½	15	15	15	13	13⅜	15	15½	15⅛	15⅝	15	15¾	17	17	17	17
United Whelan Corp common	30c	4⅝	5⅛	4¾	5⅛	4⅞	5⅛	5	5⅝	5¼	6⅛	5¾	6	5¾	6½	6	6½	6½	7⅝	6⅞	7⅜	7	10⅞	8⅞	10¼
$3.50 convertible preferred	100	74½	77½	76	77	75	75½	75	75	76	76	—	—	75½	76	—	—	75⅛	76¾	75	75¾	76½	78	77	77
Universal-Cyclops Steel Corp	1	22	25	22	24½	22¼	24½	19½	23	19¼	22½	20	22⅜	20	26	23¾	26⅜	23⅛	27	26¾	31⅛	29	35½	32½	39⅛
Universal Leaf Tobacco Co Inc	*	33¼	35	32¾	33⅞	33½	36⅜	34	35½	35	39½	36	40⅜	36	39¼	37	40½	39½	47½	41¾	47½	42½	46⅜	46⅜	57
8% preferred	100	142	151	148	150	148	152	147½	151	148½	154	151¾	154	152	155½	151¼	153	148½	152	150½	153	152¾	157	150	154½
Universal Pictures Co Inc	1	19	22½	20	22⅛	19½	22⅝	20¼	20¾	18½	20¾	20¼	22	20	21	19	20⅛	19⅛	20¼	21	27	23½	28⅞	25	28¾
4¼% preferred	100	65	67	67	71	66	70⅛	63	64	58½	65¾	59¼	60¼	58½	60½	59¾	61½	57	62	62	69½	67½	96	73¾	90
Utah Power & Light Co	12.80	24⅞	27⅜	26⅞	28⅞	26¾	28⅝	25½	28½	27⅝	29⅞	27¼	29½	28½	29⅞	28⅞	30½	28⅝	31	29½	31¼	30⅝	31½	31⅛	37
V																									
Vanadium Corp of America	1	27½	33⅜	29	33¼	29½	32⅝	27½	30¾	28½	31½	27⅞	32¼	28⅜	36⅞	33½	36¾	35	36¾	36	40⅞	33½	38	33	38⅝
Van Norman Industries Inc	2.50	5½	8⅜	7⅛	7⅞	6⅛	7⅝	6	7⅛	7	7⅝	6¾	7½	7½	9½	8⅝	11¾	9¾	11¼	9¾	11	9⅞	10⅝	9¾	10½
$2.28 convertible preferred	5	13½	18¾	16½	17½	15¾	16½	15¾	16½	16	17½	15¾	16½	16½	20½	18¾	24¾	20½	23⅝	20¼	22	20¼	22¼	20½	22¾
Van Raalte Co Inc	10	21½	25	24¼	26	23½	24¼	24	25⅞	25	25¾	25⅝	27¾	26¼	27⅞	25⅝	28⅝	26¼	28¼	28	30⅜	28	30	30⅛	32
Vertientes-Camaguey Sugar Co	6½	9¼	10⅝	9⅜	10⅛	9⅛	9¾	9	11¾	10¾	12⅛	11¾	12⅜	11⅜	12⅝	11⅝	12¼	12⅛	14⅜	10¼	14⅛	10	10½	9⅝	10⅛
Vick Chemical Co	2.50	45¼	50	50	55¼	53⅜	60¼	55½	62½	60¾	64	57¼	62	59½	67¾	69¼	69	66	74½	71	78	74¼	86¼	82¾	97
Vicks Shreveport & Pacific Ry Co	100																								
5% non-cum preferred	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Victor Chemical Works	5	23¾	27⅞	26⅞	27¾	27⅞	31	27⅛	28⅞	27⅝	29⅞	29	30½	30⅛	31¾	30¾	32½	28¾	31¾	29½	33⅞	32⅛	34⅞	32½	36½
3½% preferred	100	—	—	77½	78½	78	78	78½	79	82	85	83	83	81½	82¼	79¼	79¼	—	—	78	78	80	80½	79⅛	79⅛
Virginia-Carolina Chemical Corp	*	13	17¾	16¼	18¼	16⅝	19	16¼	18½	16	17⅜	15¼	18½	15⅛	17⅛	16¾	18¾	18⅛	20⅝	19⅛	22	17	19⅝	18	19⅝
6% dividend partic preferred	100	79	92	88	93	91	99	88½	96	85½	92	83	94¼	81	89½	87	90¾	90	97	91	101	75¼	92½	79¼	82½
Virginia Electric & Power Co	8	26⅛	28	27¼	28¼	26½	28⅜	26⅞	29⅜	29	31¾	29⅜	31¾	29½	31¼	29⅜	31½	30	31⅞	30⅝	35⅜	32⅛	34⅝	34⅝	40⅞
$5 preferred	100	106¾	110	108	110	107½	109	108½	112	110½	113	109½	111¾	107	110	101	109¼	101	103½	101	105½	103¼	106	105¼	107
$4.04 preferred	100	87½	87½	—	—	—	—	85	89	—	—	87½	90	90½	90½	89	89	85	86	86	86	85¼	85¼	82	85¼
$4.20 preferred	100	91½	95	91	94	91½	96	97	99½	95⅝	97	94½	97	94	95½	92½	93½	92½	94	90½	92½	87½	90	85⅜	87¾
$4.12 preferred	100	92	92	—	—	—	—	92⅞	93	94	95	91	92½	90½	93	90¾	90¾	—	—	87	89	87	89	83¼	85½
Virginian Ry Co	10	26¾	28¼	24⅝	27	25½	27¼	24⅛	26⅞	26½	28⅜	27⅜	31½	28½	32⅛	31½	35½	31⅛	33⅞	31¼	34⅞	33⅜	42½	35¾	38⅞
6% preferred	10	11	11⅞	11⅜	12½	11⅝	12¾	11⅛	12	11½	12⅛	11⅞	12⅜	11¾	12⅜	12	12½	11⅜	12¼	11⅝	12½	12	13	12¾	13⅛
Vulcan Materials Co	1	9¾	11⅝	10⅜	11½	11	14⅜	13	14⅜	12⅝	13¾	12¾	14⅛	12½	14¼	13⅛	15⅛	14⅝	16¼	14⅞	17⅛	15¼	16⅞	15¼	16½
5% convertible preferred	16	14⅛	15¾	14½	15¼	14½	16¾	16	16⅝	15½	16¼	15¾	16⅜	15½	17⅝	16¾	18⅛	17	18¼	17⅛	18⅝	17½	18½	17½	18½
5¾% preferred	100	74	77¾	76½	79¾	75½	80¾	79½	83	82	84	80½	83½	81	84½	83¾	86½	86	88½	87	88	87¼	89	87½	88⅞
6¼% preferred	100	84	90	88	91	86¼	91½	88¼	94	92	94	92	93	92	93½	93½	95½	93	94⅞	93	95¾	94	96¼	93⅞	97
W																									
Wabash RR Co 4½% preferred	100	64	70	69	72½	62¼	70¼	62	65	60½	63¾	61½	63	62	63	62¾	62¾	62½	64	63½	66¾	66	67	67¼	72
Wagner Electric Corp	15	33¾	37½	34	38⅜	35¾	41	35	39½	37⅝	40¾	38¼	41¼	39	44½	41½	44½	41½	46¼	44¾	50	45⅜	48¾	43	47¼
Waldorf System Inc	*	12⅞	13½	13⅛	13⅝	12⅞	13½	13	13⅝	13⅛	13½	13⅛	13⅝	13¼	13⅞	13⅝	14⅛	13¾	14⅜	14	14⅞	14⅝	15¼	14¾	15¼
Walgreen Co	10	27⅜	29⅞	28¾	29⅞	29	33½	30¾	35⅜	34⅞	35¾	35	38½	36¾	38½	36⅜	39½	38¼	39½	38⅞	44⅝	44¼	48⅞	47¼	51
Walker (Hiram) G & W Ltd	*	75½	79½	80	82	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
When issued		25¾	26¾	26⅝	27¾	26½	27¾	26⅝	28⅛	28⅛	30¼	29⅜	30⅝	28¾	30¾	30	32	31	32½	31⅛	33¼	33¼	36	33½	35½
Walworth Co	2.50	14⅜	16⅜	15⅜	16½	14⅜	16½	13¾	15¼	13⅝	14¼	13⅛	14½	1⅞	13⅞	12¾	13⅜	13	13⅞	12¾	14¼	13	16	13½	15¾
Ward Baking Co	1	11⅞	13⅜	12½	13⅜	12⅜	14	12¾	13¾	12¾	13½	12¾	13⅝	12½	13	11⅛	13	11¼	12½	11⅝	12¾	11⅝	13⅛	12	14⅞
5½% preferred	100	84	87	85¼	87	86	87½	85	95	91½	93½	87	91⅝	86½	90	86¼	89	88	90½	88	90	89½	90	87	90
Ward Industries	1	9¼	10¼	8⅛	9⅜	8¼	9¼	8	9	8	9⅝	9	10⅜	9¼	10½	9¼	10⅝	8½	10⅛	8¾	9¾	8¾	9⅜	9½	11⅛
Warner Bros Pictures Inc	5	17	17¾	17	19	17⅞	19½	18⅜	19½	18⅛	19⅞	18¾	20⅜	20⅛	21¼	19⅞	21¼	20¾	23¼	21⅛	22½	21¾	24½	23⅞	26½
Warner-Lambert Pharmaceutical Co	1	56	62¼	59¾	64¼	61¼	69	62½	68½	65¼	69⅝	63	66¾	63¼	67⅜	65⅞	70⅝	70¼	88½	78¾	85½	80½	87	78½	97½
Washington Gas Light Co	*	34⅛	38½	37¾	38½	37¼	40⅜	39⅝	42	41½	42¾	41½	43⅞	43	45¼	43⅝	46⅛	44¼	45½	44⅝	45¾	45½	47¼	45½	48
Washington Water Power	*	34¾	36⅞	37	40¾	38	39¾	38⅛	41¾	39⅝	41⅞	39¼	40⅞	39⅜	41	39⅛	40¾	39⅛	41	39⅞	41	40⅜	42⅛	41⅜	44½
Waukesha Motor Co	5	25	26⅞	26¼	28⅛	26	27¼	27⅜	28¾	28	30¼	29⅜	31	30⅜	33¾	31⅞	33⅞	32¾	34⅞	33¼	39½	36½	40	36½	37½
Wayne Knitting Mills	5	21	22½	20¼	21¾	19½	21⅛	20¼	21⅜	20½	21¾	21¾	22¾	22⅜	24⅜	22⅛	23½	23	26⅜	25⅛	26½	25⅝	26⅞	25⅝	26⅝
Wayne Pump Co	1	16¾	22¼	19	20½	19	21⅞	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Weibilt Corp	1	1¾	2⅛	1⅞	2	1¾	1⅞	1¾	2⅛	2	2⅛	2	2¼	2	2⅜	2⅛	3¾	3	3⅜	2⅞	3⅜	2⅝	4⅛	3⅜	4⅜
Wesson Oil & Snowdrift Co Inc	2.50	23	27½	25	27	25½	26¾	24½	27	26½	28	26¼	30¾	29	32¾	30¾	35¼	31½	35	34	35¾	30½	35¼	31⅛	35
4.80% preferred	50	44¼	45½	44¾	46½	45¾	48½	46¼	48½	46	47½	47	48½	47	49¼	46⅞	48	47	48	47	47½	46½	47¾	46½	48
West Indies Sugar Corp	1	63¾	68½	65⅞	67⅛	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped		—	—	59¼	60⅜	55	65	52¾	60¾	59½	62	58	61½	58	60	58¼	64	59½	62¼	56¼	59¼	53½	56¾	50¾	53½
West Kentucky Coal Co	4	15½	18½	16⅝	19⅜	16⅝	18¾	15½	17⅞	16½	19	17½	21	17⅞	20¾	19	22¼	20¾	23⅝	20¾	24⅞	19¼	22⅜	18¼	20¾
West Penn Electric Co	5	25¾	28⅜	28	29¼	27⅞	29⅜	28¾	30⅜	29¼	31⅛	30¼	32½	30¾	32⅝	31	32¼	30¼	31⅞	31	32¾	32⅛	34⅜	33½	35¾
West Penn Power Co 4½% pfd	100	97⅜	101	99½	101	100½	103	101⅛	104	102	105	100½	103½	103	104¾	100	103¼	96¼	101	95¼	100	96	97½	95¼	97½
4.20% preferred series B	100	87	91	—	—	90½	90½	91	95½	94	96	96½	99½	96⅛	96⅛	95½	96⅛	86	92½	87½	88	90	90	90	90
4.10% preferred series C	100	88	91	88	88	87	90	91	92¾	91½	92¾	92½	94	91	91	91	91½	84	86⅞	84	87	84½	86	83½	86
West Virginia Pulp & Paper Co	5	34¼	37¾	31¼	36	32	36⅞	33	34¾	34⅛	37⅜	36¼	40¼	37⅝	40½	39⅛	44⅜	38⅝	41½	40⅜	44½	40¼	50	47½	51
4½% preferred	100	99	99	97½	101	96¾	98	98	102	100½	103	101	101¾	100	103	99⅞	101½	100	102	97½	101	99	99½	98	99½
Western Air Lines Inc	1	20½	23	21	23¼	20	21⅞	19⅜	20⅝	19¼	20¾	19⅜	20⅞	20¼	22	20½	22¼	20⅝	22¼	21¼	24	22¾	24¼	23⅞	28¼
Western Auto Supply Co	5	14⅛	16	15¾	16⅞	15⅞	16⅜	16¼	17¼	16½	17⅝	16⅝	17½	16⅝	17¼	17	18½	17⅞	20⅞	20¼	22⅝	21⅝	24	23	24¾
4.80% preferred	100	—	—	96	100	99½	100	99¼	99¼	95¾	98	98	100	96	98	96	97	97	97	—	—	94½	96½	94½	96½
Western Maryland Ry Co	*	48½	54¾	51½	55½	53	59⅞	56½	64⅞	58¾	63¾	60¼	64⅜	59¼	67⅜	63½	66⅞	66⅛	71½	64⅝	71¼	68½	77¾	73	79⅜
4% non-cum 2nd preferred	100	63	65½	66¾	69¾	69	70¾	69	73	73	74¼	73	74¼	72¼	76	75	77	78	81½	77	80½	79	86	80	82¼
Western Pacific RR Co	*	42½	49⅞	45¼	50¼	44½	48⅞	43	50	47¾	51⅜	48½	52⅞	50	56⅝	54	57½	57¼	62	60¼	66½	63½	71½	65½	70½
Western Union Telegraph Co	2.50	15	17¾	16⅝	18	16⅞	17⅞	16⅞	18¼	18	19⅝	19	20⅝	19¾	22⅛	21¾	25	24⅝	27½	24⅜	27⅛	26¾	31	29¾	34¾
Westinghouse Air Brake Co (The)	10	17⅞	22⅞	20	22	20	22	20¼	21⅞	21⅛	22⅞	22	23½	22⅛	25⅛	24⅛	26¾	25⅛	26⅜	25⅛	29¾	26½	29¼	27⅛	33⅝
Westinghouse Electric Corp	12.50	60¾	64½	60¼	65½	60¾	63⅜	57¼	61⅞	57⅜	59⅜	55½	59	56⅛	62	59¾	62⅜	62⅜	68¼	63⅞	67⅞	65¼	69⅞	66½	74½
3.80% cum preferred series B	100	89¾	91¾	88¾	91	90¼	92	89½	92½	90	92¼	90	92	86½	90½	83	87½	84	85½	83	87	85½	87¼	84	85½
Wheeling & Lake Erie Ry Co	100	125	125	—	—	—	—	125	125	110¼	119	110¼	110¼	—	—	110¼	110¼	—	—	—	—	—	—	110	110
Wheeling Steel Corp	10	35	39⅝	34⅛	39	34½	38⅜	33¼	36⅞	34½	37½	36⅜	39¼	37½	46⅞	43⅛	49½	47¼	51⅞	48¾	53¼	48¾	52⅝	49½	54¾
$5 preferred	*	83½	89	87½	91	90½	92	89	91	90⅛	91¾	88¾	92½	90⅝	94	92½	94½	92	93½	91	95	93	96	91¾	95
Whirlpool Corp	5	16⅝	20¼	16½	21¼	16⅞	18¾	16½	17⅞	17⅛	19⅛	18¼	19¾	19⅛	23⅜	22	24¼	22	25¼	24⅞	28⅞	25¼	27¾	27	31¾
4¼% convertible preferred	80	56	57	57¾	61	57½	58	58	59	—	—	58	60⅛	60¾	61¼	60	61⅛	58½	59¾	59¼	65	65	67½	64	68
White Dental Mfg Co (The SS)	20	26	29½	28⅞	30½	29⅞	34	33	41	40	46¼	41½	47	44½	48¾	42⅝	45¾	42	44⅞	43¼	49⅛	41⅝	47¾	44¾	48
White Motor Co	1	40½	43½	42	44½	42¼	44¾	43¼	44¾	44¼	48	45¼	47¾	44½	50	48⅝	52⅜	50	53¾	51	58	56	62	60½	69
5¼% preferred	100	91½	95	93½	94⅞	94¼	96	94	96	96	97½	95	98	95	98¼	96½	99½	97½	100	96⅛	99	98	99½	97⅝	99⅞
White Sewing Machine Corp	1	4⅞	6	5¼	6⅝	5¼	5⅞	5	6¼	5⅝	6⅜	5½	7⅝	6¼	7½	6½	8	7⅛	8	7	8⅛	7	8⅛	6⅝	7¾
Prior preference	20	24	25	24	25	23½	25	—	—	23½	24¼	23½	25	24	25½	24½	25¼	23½	24½	24	25½	23¼	24¾	23¼	24½
$3 convertible preferred	50	34	36	35½	37	35½	36½	34	35	33¾	33¾	32¾	37	34	37	33	37	36	37	35	37½	37¼	38	35½	37⅛
Wilcox Oil Co	5	30	38¼	33	37½	34⅝	38¼	35	37½	35	43½	40½	44½	40⅛	44¾	40¾	46½	40⅛	44	39¾	44	41½	48⅞	42¾	46⅜
Wilson & Co. Inc	*	16	17½	16¼	18¼	18¼	21½	19⅛	21⅞	20	21⅞	21¼	22⅞	20⅝	25¼	24	27½	25¾	27½	26½	30⅜	29¾	33⅜	29¼	33½
$4.25 preferred	*	71	80	79½	80	79	80¼	80¼	84¼	83	85¼	84	85	84	88½	80⅝	82	80½	82½	82	82½	81¾	82½	82	83
Wilson-Jones Co	10	14¼	14¼	14⅝	15	14	14½	14	14¼	13½	14¼	13⅞	14	12½	14	12⅝	13½	12½	12¾	12¾	14⅛	14	14⅝	13½	20⅛
Windsor Industries Inc	10c	4	4⅜	4⅛	4½	4	4½	4	4½	4	5½	5¼	6	5½	6	5¾	7¼	6¾	7¼	6¾	7⅛	7	8¼	6	7¾
Winn Dixie Stores Inc	1	26¼	30	27⅝	29¼	27⅝	33¼	32⅛	36¼	33⅝	36⅞	34⅝	35⅞	34⅞	36	35½	39¼	38⅝	39½	39	40½	40⅛	49¼	41	44¾
Wisconsin Electric Power Co	10	31⅞	35	35	36	35⅛	36	35⅛	36	35¾	36⅜	36	37	35⅝	37	33¾	37	32⅝	35⅛	34	35½	34½	36¼	36	37¼
Common rights		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	9/16	13/32	½	21/32	—	—	—	—
6% preferred	100	124	133	132½	134	133	135	131	135	129	132	130	131	124	129	125	125¼	124	125½	122½	125	122¾	122¾	120½	122½
Wisconsin Public Service Corp	10	20½	22⅝	22½	23¼	22½	23	21¾	22⅞	22½	24⅛	23⅝	24½	24¼	25⅛	23⅝	24⅞	23	24⅛	23	24⅝	23¾	24½	24	25⅜
Woodward Iron Co	10	21¼	26½	23	26⅛	23	24⅛	22⅛	24⅞	23¾	24⅞	24¼	25¾	24½	29⅜	27½	29¾	28½	31⅝	30¼	32¼	29⅜	30¾	29	31¼
Woolworth (F W) Co	10	36⅜	42¾	40⅝	43⅜	41¼	42⅞	40⅞	44⅜	43¾	45⅜	45⅛	47¾	47⅛	49⅛	46½	48	47⅝	49	47¾	50⅞	48½	52⅜	50½	53¾
Worthington Corp (Del) common	10	46½	49⅜	45¼	49½	45⅜	51¾	46½	53⅜	52¼	55¾	55	59⅛	57¾	61⅞	59¾	61¾	58	65¾	61½	66¼	63½	68¼	66¾	74
Prior preferred 4½% series	100	80¼	90¼	88	89½	88⅜	89½	88¾	90¾	89	94¾	93½	97	90	94	87¾	93¾	84¾	89¾	85½	88	86¼	88	86¼	89¼
Wrigley (Wm) Jr Co (Del)	*	78½	83	81	81⅞	80¾	82½	81½	83	82½	87¼	85½	88¼	82	87¾	82½	88	87¼	88¾	84	88¼	84	90¾	84¾	86
Wyandotte Worsted Co	5	4¾	5⅞	5¼	5¾	5⅛	6⅛	5½	7⅛	6½	8⅛	6¾	7⅝	6¾	7¾	7⅜	8⅜	7½	9⅜	9	11½	9⅛	11¼	9½	10⅝
Y																									
Yale & Towne Manufacturing Co	10	25½	27	25	27¼	25	27¼	23¾	25½	24½	26⅜	25	26¾	25⅞	28⅜	28	30⅜	29¼	30⅞	29⅜	31¾	29⅝	33⅜	30¾	32⅝
Young Spring & Wire Corp	5	27⅝	28¼	25½	27⅞	25⅝	29⅝	27¼	28⅞	27¼	30⅜	28½	31⅜	30¼	33⅞	33⅛	36¼	34	35⅜	32	34¼	32⅛	35⅞	30¾	34
Youngstown Sheet & Tube Co	*	68½	82½	77	84⅛	81⅛	86⅞	74¾	84	81½	90	85½	91	88	103¼	99½	104⅜	102⅞	112¾	108½	119½	104	119	109¼	118⅝
Youngstown Steel Door	*	16⅝	19¾	18½	19⅝	16⅜	19	16	16⅞	16¼	16⅞	16⅜	18⅜	17	18¾	17¾	18¾	17⅞	19⅞	18⅜	19⅞	18¾	19⅝	19¾	22½
Z																									
Zenith Radio Co	*	120¾	130	126¼	138¾	136¾	151	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New	1	—	—	67½	68¾	68½	75¾	70⅛	77⅜	73⅜	79¾	78¼	85½	83¾	91¾	89¼	97⅞	95	134⅞	119½	133⅝	128	148	149¾	208½

*No par value. †In receivership. a Deferred delivery sale. r Cash sale. wd When distributed. x Ex-dividend. y Ex-rights. z Ex-distribution.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Treasury—																								
4s Oct 1 1969	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	102.14	102.14	—	—
3s Aug 15 1966	—	—	—	—	—	—	—	—	—	—	—	—	—	—	97.12	97.12	—	—	—	—	—	—	—	—
2½s Dec 1967-1972	94	94	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
International Bank for Reconstruction and Development																								
4½s Jan 1 1977	—	—	105.16	105.16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4¼s May 1 1978	—	—	101.24	101.24	—	—	—	—	—	—	—	—	—	—	—	—	96.16	96.16	—	—	—	—	—	—
4¼s Jan 15 1979	—	—	—	—	—	—	103.8	103.8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3½s Oct 1 1969	—	—	—	—	—	—	—	—	—	—	99.8	99.8	98.16	98.16	—	—	—	—	—	—	—	—	—	—
3¼s Oct 1 1981	—	—	—	—	—	—	—	—	—	—	95	95	91	95	—	—	—	—	—	—	—	—	—	—
3s July 15 1972	—	—	92.16	92.16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New York City—																								
Transit Unification Issues— 3s corp stock 1980	98½	100¾	99	100 1/16	99¾	100	99 1/16	102⅜	99⅞	101⅝	99 11/16	100½	99	99 11/16	—	—	95	96⅛	92	94½	92⅛	93	89	92
Foreign Governments—																								
Agricultural Mtge Bank (Colombia)—																								
Sinking fund 6s 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sinking fund 6s 1948	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Akershus (King of Norway) 4s 1968	—	—	98	98	98	99	—	—	—	—	98	98¼	—	—	—	—	—	—	—	—	—	—	—	—
Amsterdam (City of) 5¼s 1973	—	—	—	—	—	—	101¾	102¾	102⅛	103	102¼	103½	103	104½	102⅞	104¼	101¼	103	101¼	103¼	102⅛	103¼	102½	103¾
Antioquia (Dept) coll 7s series A 1946	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External s f 7s series B 1945	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	93½	93½	—	—	—	—
External s f 7s series C 1945	—	—	89½	89½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External s f 7s series D 1945	—	—	89½	89½	—	—	89½	89½	—	—	—	—	90	90	—	—	—	—	—	—	—	—	—	—
External 7s 1st series 1957	—	—	—	—	—	—	90	90	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External sec s f 7s 2nd series 1957	87	87	—	—	—	—	—	—	—	—	—	—	—	—	—	—	92¾	92¾	—	—	—	—	—	—
External sec s f 7s 3rd series 1957	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30-year 3s $ bonds 1978	44⅛	48	45⅝	46¾	45¾	47	47	48	46½	47⅞	43½	46⅛	43	47½	45½	46⅛	46⅛	48¾	48½	48⅞	46½	48⅛	46½	49
Australia (Commonwealth of)—																								
20 year 3½s 1967	93¼	95¼	93⅞	95½	93	94½	92	94	92⅛	93⅞	93¾	95½	95¼	96⅜	96⅜	97¾	95½	97¼	90⅞	92	90	91⅛	91¾	92½
20 year 3½s 1966	91½	94¼	94	95½	93	94¾	91⅞	94	92¾	94¼	93¾	95¼	94¾	96¼	95½	97½	90½	96¾	90⅛	92¼	90¼	92	91⅝	92⅞
15 year 3⅜s 1962	95	98	97⅝	99	98¼	99	97¾	99	97¾	98½	97⅞	99	98⅜	99¾	98¾	99¾	96⅝	99	95½	96⅞	96⅞	97⅜	97	97¾
15 year 3¾s 1969	93½	97¼	96¼	98¾	95½	96⅝	92¾	95½	93½	94½	94	95½	92½	94⅞	93½	94½	90	94¼	90	91¾	90	91	91½	92
15-year 4½s 1971	99	100½	100	100⅞	99⅞	100⅝	98	100	98	99	98½	100	98⅝	99⅞	99¼	100⅛	97½	99¼	95	97	95	95⅞	95⅛	97
15-year 4¾s 1973	—	—	—	—	—	—	—	—	98¼	99	98½	99⅜	98¾	99¾	99	101¼	99¾	101⅜	97½	100¼	97	98⅛	96⅞	97¾
15 year 5s 1972	102⅜	104⅞	104⅛	104⅞	103½	104½	103	104½	103	104⅝	104¼	105½	103¾	105	104¼	105¼	102½	104⅞	100	102½	99⅛	100⅜	—	—
20-year 5s 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	96⅞	97⅛	96¾	97½
Austrian Govt Int Loan 7s of 1930 4½s assented 1980	79⅝	80½	80	82	82⅜	83	82⅜	83⅛	—	—	85¾	85¾	86	86	86⅞	87¼	86⅞	86⅞	87½	88	86¾	86⅞	—	—
Bavaria (Free State) 6½s 1945	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4⅞s debt adj series 8 1965	—	—	94¾	94¾	95	95	—	—	96⅛	96⅛	—	—	97	97	—	—	—	—	99	99	—	—	99	99
Belgian Congo— 5¼s ext loan 1973	—	—	—	—	—	—	—	—	98	98⅞	98	98⅞	98⅝	99¼	98	99½	98½	99½	98⅛	99	98½	99¼	98⅛	99
Belgium (Kingdom of) 4s 1964	97¾	99½	99½	100⅛	99	100⅜	97¾	100¾	98½	99⅞	98½	100¼	100	101¾	100¼	101½	99¾	100⅞	99⅝	100½	99½	100⅜	99¼	101¾
5½s external loan 1972	103	106⅛	102⅝	105	102⅝	104½	103⅜	105	103	104¼	103⅛	105¼	105½	106¾	104½	106⅛	104½	106½	104½	105¾	104⅜	105¼	104½	105½
Berlin (City of) 6s 1958	125	132½	136	136	—	—	—	—	—	—	—	—	—	—	161	167	168	168½	—	—	—	—	—	—
6½s external loan 1950	—	—	156	156	160	160	160	160	—	—	172	172	—	—	—	—	179	179	—	—	180	180	—	—
4⅞s debt adj series B 1978	—	—	89⅝	89⅝	89	92¼	92⅛	93⅞	—	—	98	98	96½	98	98	98½	98½	98½	98	98	—	—	96	96
4½s debt adj series B 1978	70⅝	70⅝	—	—	83⅛	83⅛	83⅛	83⅛	80½	80½	86	86	91	94	92½	98	96⅞	96⅞	96⅞	98	97	97	94	95
Brazil (U S of) external 8s 1941	135	135	—	—	—	—	—	—	138¼	138¼	141½	141½	139	139	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 3.5%) 1978	90	91½	86	86	86	86⅝	86¼	87¾	88	91	91½	92¼	98½	91	88½	89	87½	89	86	88	86	87	84	85
External s f 6½s of 1926 1957	—	—	—	—	—	—	118	118	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 3.375%) 1979	66⅛	69	68½	68¾	68	69½	69	72½	72	72¾	72	72½	72	73	72⅝	73½	73½	77	74½	78	71	72	70¼	71½
External s f 6½s of 1927 1957	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 3.375%) 1979	66⅛	69	68½	69	68½	69½	69½	72	72	72⅞	72	72¼	72	73¼	72½	73¾	75½	75½	75½	78	70	72	70½	72
Central Ry 20-year 7s 1952	—	—	—	—	138	138	138	138	—	—	141½	141½	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 3.5%) 1978	90	92	89	91	89	89	89¾	90	89	89	91½	92¼	90	91	88	88½	88	88¼	86	88	85	87	—	—
5% funding of 1931 due 1951 Stamped pursuant to Plan A (interest reduced to 3.375%) 1979	67	69	68½	68½	69	69½	70	72½	71½	72¾	71½	71½	71½	73¼	72¾	72¾	72¾	75½	76½	76½	71	72	70	70
3¾s external dollar bonds of 1944 (Plan B)																								
Series No. 1	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99	99½	99	99	99	99	99	99	97⅛	97⅛	97⅛	97¼	97½	98¼
Series No. 2	99½	99½	99½	99½	99½	99¾	99½	99¾	99½	99½	99½	99¾	99	99	99	99	99	99	—	—	—	—	97½	98¼
Series No. 3	95	95	95	95¼	95⅛	95¼	95⅛	98	97½	98	98½	99	98¼	98½	98¼	99	99	99	96	99	96	96	97	97¾
Series No. 4	99	99	98½	98½	95	99	95	97½	97	98⅛	98½	99½	98½	98½	98½	98½	99	99⅛	99	99	97	97	97	97½
Series No. 5	99	99	99	99	99	99	99	99½	99½	99½	99	99½	99	99	99	99	99	99	—	—	97	97	—	—
Series No. 7	—	—	97	97	—	—	—	—	—	—	—	—	—	—	—	—	97	97	—	—	—	—	98	98
Series No. 8	—	—	96	96	—	—	96⅝	96⅝	—	—	—	—	96⅝	96⅝	—	—	—	—	95⅝	95⅝	—	—	96	96
Series No. 9	—	—	—	—	98	98	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Series No. 10	—	—	96	96	96	96	96	96	—	—	96⅝	97	96¾	96¾	—	—	—	—	—	—	—	—	—	—
Series No. 11	96	96	—	—	—	—	96	96	96¾	96¾	—	—	96¾	96¾	97	97½	97	97	—	—	—	—	96	96
Series No. 12	—	—	—	—	96	96	96	96	97	98	96⅝	99½	94½	94½	—	—	—	—	—	—	95	95	96	96
Series No. 13	—	—	—	—	95⅛	95⅛	96	96	96¾	96¾	—	—	97¼	97¼	—	—	—	—	95	95	96	96	—	—
Series No. 14	96	96	93	93	95	96	96	96½	96¾	96¾	96½	99	96	97¾	96	97¼	96	96	—	—	—	—	96	96
Series No. 15	—	—	95	95	—	—	96	97⅛	96¾	96¾	—	—	—	—	—	—	98	98	99	99	—	—	—	—
Series No. 16	—	—	—	—	96	96	96	96½	96¾	96¾	—	—	—	—	—	—	97	98	98	98	—	—	95	95
Series No. 17	97	97	—	—	—	—	97	97⅛	96½	96½	95¼	95¼	95	95	—	—	94½	94½	—	—	—	—	—	—
Series No. 18	—	—	—	—	95⅛	95⅛	96	97⅛	—	—	96	98½	—	—	—	—	—	—	—	—	—	—	—	—
Series No. 19	—	—	—	—	95¼	95¼	95½	97⅛	96½	98	95	95¼	—	—	—	—	—	—	—	—	95¼	95¼	—	—
Series No. 20	—	—	—	—	—	—	96½	97	98	98	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Series No. 21	—	—	—	—	—	—	—	—	97	97	98	98	98⅛	98⅛	—	—	98⅛	99	99	99	—	—	—	—
Series No. 22	—	—	99	99	—	—	99	99	98	98⅛	98½	98½	98½	98½	99	99	99	99	95	95	96	96	95	95¾
Series No. 23	98	99	—	—	95	95¼	95	97½	96¾	98	99	99½	99	99	99	99	99	99	94	94	95	95	95	95⅝
Series No. 24	—	—	—	—	—	—	—	—	97	97	97⅞	97⅞	—	—	—	—	—	—	99¼	99¼	—	—	—	—
Series No. 25	98½	98½	—	—	—	—	97	98¾	—	—	—	—	—	—	—	—	99	99	99	99	99¼	99¼	99¼	99¼
Series No. 26	—	—	—	—	—	—	96	96	—	—	96¾	96¾	—	—	—	—	97	97	—	—	—	—	—	—
Series No. 27	—	—	—	—	95⅛	95⅛	96½	96½	—	—	98	99	—	—	—	—	—	—	94	94⅛	—	—	—	—
Series No. 28	96	96	—	—	—	—	97⅛	97⅛	—	—	95	98	95	98	—	—	—	—	—	—	—	—	—	—
Series No. 29	—	—	—	—	95⅛	95⅛	—	—	97	97½	—	—	—	—	96¾	97¼	97	97	—	—	—	—	—	—
Series No. 30	—	—	—	—	96	96	96½	96½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Caldas (Dept of) 3s 1978	44¾	48	46½	46¾	46⅝	46¾	47½	48	47	47½	47	47	44	47½	45⅝	47	48½	49	48½	48¾	48½	48½	48½	48½
Canada (Dominion of) 2¾s 1974	91¾	93	91	92½	91	92	91	92½	90¾	93	92⅛	93⅛	92½	94¼	89½	93¾	86½	89¾	86	87	83½	86¼	84	86⅞
25 year 2¾s 1975	91¾	92¼	90½	91¾	90	90⅞	90½	91	90	91⅝	92	93⅜	93¼	94	91¾	94¼	88	89	85	86½	82¾	85½	84	86½
Cauca Valley (Dept of) 3s 1978	44¼	47¾	46⅝	46⅝	—	—	46⅞	47½	46½	48	—	—	44½	47½	—	—	48½	48⅝	48⅝	48⅝	48½	49	48½	48½
Chile (Republic) external s f 7s 1942	77½	78¼	78¼	78¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7s assented 1942	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External sinking fund 6s 1960	77½	77½	—	—	—	—	—	—	79⅝	79⅝	79	79	—	—	—	—	82	82	82½	82½	—	—	—	—
6s assented 1960	—	—	—	—	—	—	39¼	39¼	—	—	—	—	—	—	39½	39½	—	—	43½	43½	—	—	—	—
External sinking fund 6s Feb 1961	—	—	—	—	78¾	78¾	—	—	—	—	—	—	78¾	78¾	—	—	—	—	—	—	—	—	87	87
6s assented Feb 1961	—	—	38¾	38¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	43½	43½	—	—	44½	44½
Ry external sinking fund 6s Jan 1961	78¼	78¼	—	—	81	81	80½	80½	—	—	79	79½	—	—	—	—	—	—	—	—	—	—	86½	86½
6s assented Jan 1961	—	—	38⅝	38⅝	39⅞	39⅞	—	—	—	—	—	—	—	—	—	—	—	—	43½	43½	—	—	44¾	44¾
External sinking fund 6s Sept 1961	—	—	—	—	—	—	80½	80½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6s assented Sept 1961	—	—	—	—	39⅞	39⅞	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External sinking fund 6s 1962	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6s assented 1962	—	—	—	—	39⅞	39⅞	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External sinking fund 6s 1963	77½	77½	—	—	—	—	80½	80½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6s assented 1963	—	—	—	—	—	—	39½	39½	—	—	—	—	—	—	—	—	—	—	—	—	45¼	45¼	—	—
External s f $ bonds 3s 1993	36¾	38⅞	38⅛	39½	38⅝	40	38⅝	39½	37½	39¼	36⅞	38⅜	37⅛	38⅜	38	39¾	39½	41½	41	43½	43⅛	44½	43½	44
Chile Mortgage Bank 6½s June 30 1957	77½	77½	78¾	78¾	80½	80½	—	—	—	—	—	—	—	—	—	—	83	83	—	—	—	—	—	—
6½s assented 1957	—	—	38½	38½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	44½	44½
6¾s assented 1961	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Guaranteed s f 6s Apr 30 1961	75½	75½	—	—	—	—	80½	80⅝	—	—	—	—	—	—	80	80	—	—	—	—	87	87	86¾	87
6s assented 1961	—	—	—	—	—	—	—	—	—	—	37¾	37¾	—	—	—	—	—	—	—	—	—	—	—	—
Guaranteed s f 6s 1962	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	82½	82½	82½	82½	—	—
6s assented 1962	—	—	—	—	—	—	—	—	39	39	38¾	38¾	—	—	—	—	—	—	—	—	—	—	—	—
Chilean Cons Munic 7s 1960	—	—	—	—	81	81	—	—	—	—	—	—	78⅛	78⅛	—	—	—	—	—	—	85	85	—	—
7s assented 1960	—	—	38½	38½	—	—	39¾	39¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Chinese Govt (Hukuang Ry) 5s 1951	—	—	—	—	—	—	8⅞	8⅞	7	7	—	—	5½	5½	6	6⅞	7	7	7⅞	9	7	7	7	7
Cologne (City of) 6½s 1950	—	—	—	—	—	—	—	—	—	—	—	—	200	200	—	—	—	—	—	—	—	—	—	—
4⅞s debt adj 1970	80⅛	81½	85	85	89¼	90	—	—	89¼	89¼	—	—	91¼	91¼	92	92	—	—	—	—	94	94	—	—
Colombia (Republic of)—																								
6s of 1928 Oct 1961	117	117	117	119⅛	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	126	126	—	—
6s of 1927 Jan 1961	—	—	—	—	—	—	—	—	120	120	116½	116½	—	—	120	120	—	—	—	—	—	—	—	—
External sinking fund 3s 1970	50	51⅞	51½	52¾	51¼	53¾	53½	56	53½	56	50	55	51	54½	52½	54⅝	55	57	56	57	56⅜	57½	57	59

NOTE: All bond footnotes shown on page 28.

1958 --- NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Colombia Mortgage Bank 6½s 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sinking fund 7s of 1926 1946	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sinking fund 7s of 1927 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Costa Rica (Republic of) 7s 1951	—	—	—	—	74¼	74¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	80½	80½	80½	81½
3s refunding $ bond 1953 due 1972	50¼	54	55	59	53½	54½	52¼	58	57	58½	57	57¾	52¼	56½	54	58¼	55⅝	58⅛	58¼	61⅝	59½	60⅛	60¾	61¾
Cuba (Republic of) 4½s 1977	102	104	103⅛	104	103	103½	102½	103½	102¼	103	102¼	103	103⅛	105	105	a107	103	106	103¼	103⅜	103½	103½	103½	104⅛
Cundinamarca (Dept of) 3s 1978	44½	46½	46½	46½	46½	47	47	47½	46½	48	45	45	45	47½	44½	44½	48⅛	48⅛	48⅛	48⅛	47	47½	47	47
Czechoslovak (Republic)—																								
Stamped assented (int reduced to 6%) extended to 1960	—	—	39¼	40	40	40	37	40	39½	39½	36	36	34	34	34	34	—	—	36	39	37½	37½	—	—
Denmark (Kingdom) 4½s 1962	101¼	101¾	99⅝	101¼	101⅜	102	102	103	100¼	100¼	100¼	101¼	100¼	100¼	100¼	100¼	100½	100½	—	—	—	—	—	—
Called bonds (April 15)	99½	99½	99½	99½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
El Salvador (Republic of)—																								
3½s extl s f $ bonds Jan 1 1976	—	—	76⅛	76⅛	76⅛	79	79	79½	—	—	—	—	79½	85	—	—	82	82	82	82	82	82	82	82
3s extl s f $ bonds Jan 1 1976	73	73½	75¼	75¼	—	—	76	76	76⅜	76⅜	77⅜	77⅜	77⅜	77⅜	77⅜	77⅜	77⅜	77⅜	—	—	—	—	—	—
Estonia (Republic) 7s 1967	—	—	15½	15⅝	—	—	—	—	15⅝	15⅝	—	—	—	—	—	—	—	—	15½	15½	15⅝	15⅝	15½	15½
Frankfort on Main 6½s 1953	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4⅞s sinking fund May 1973	84	84	—	—	—	—	—	—	90	90	—	—	—	—	—	—	95⅞	95⅞	94	95⅝	96½	96½	88	88
German (Federal Republic of)—																								
External loan of 1924—																								
5½s dollar bonds 1969	96	99¾	99	102	100⅛	101¾	101¼	102⅞	102	103	102⅛	103¼	102½	105	104½	106⅞	105⅜	106½	104½	105½	103½	104⅞	103	104
3s dollar bonds 1972	76	79	78¼	79½	77	78¾	77	78	78½	79¾	78¼	80⅜	81¼	83	83⅝	88	87	88	86¼	87	87	88⅛	86	86⅝
10-year bonds of 1936—																								
3s conv & fund'g issue '53 due 1963	89¼	94½	93	94½	91½	93¼	91¾	93	91¾	92	91¼	92¾	92¾	94	94¼	95	94	94⅝	94	95¼	92	94¾	92	92¾
Prussian Conversion 1953 issue—																								
4s dollar bonds 1972	82½	84	84½	85½	84½	86	85⅞	85⅞	86¾	86¾	86¾	89	89½	95	94⅞	97⅞	98⅛	99⅛	98	99	97¼	98½	96½	97¼
International loan of 1930—																								
5s dollar bonds Dec 1980	91⅛	95⅞	96¼	99¾	98	100¼	99¼	100⅞	99½	101	99⅞	101⅛	101	104	103½	105½	104½	105½	103½	104	103½	104½	102	103¾
3s dollar bonds 1972	74	79	77⅞	79½	77	78¾	77	78¼	78½	80	78¼	80½	80½	83½	84½	89	87	88	86½	87¼	87	88⅛	86	86¾
German (extl loan 1924 Dawes loan)—																								
7s gold bonds 1949	141	141	—	—	—	—	145	147	148	148	—	—	140	149	151	154	—	—	154	154¼	154	154	153	154½
German Govt Internat (Young loan)—																								
5½s loan 1930 due 1965	128	135	136⅛	136⅛	139	139	139	139	140	140	140	140	143	143	143	145	145	145	147	147¼	147	148	145	146
Greek Government 7s part paid 1964	21	24½	22	24⅛	20½	22¾	21¾	23⅞	20½	22½	22	23	22	23¾	21⅛	24½	20⅝	24¾	23⅛	24¾	22¾	22¾	22	31½
6s part paid 1968	19	23	20¾	21¾	19	21	19	21½	19⅜	21½	21	22⅞	20⅝	22¼	20¼	23½	19½	23¼	22	23⅛	20¼	22	19¾	30½
Hamburg (State of) 6s 1946	180	180	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Conv & funding 4½s 1966	87	91¼	93¾	94	94½	96	96	96¼	96½	97¼	95¼	97	98	99½	99¼	99¼	99⅞	99⅞	99⅝	99⅝	—	—	99½	99½
Heidelberg (City) 7½s 1950	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Helsingfors (City) extl 6½s 1960	100	100	101	101	101	101	100	100½	100	104	100	100	99	99½	—	—	—	—	98⅝	98⅝	101	101	99¾	99⅞
Italian (Republic)—Extl 3s 1977	61⅜	64⅞	63	64¼	63¾	65	63⅞	66½	66	67⅞	67	72	68¼	72½	68⅛	71	70	71⅞	70	71¾	67½	70	68½	72
Italian Credit Consortium for Public Works 3s 1977	59	63	61	62¼	61¾	63¼	62¼	64	63	65⅜	64⅛	70	67¼	69⅞	67¼	69¾	68¼	69¾	67½	69	67	69¼	67¾	70
7s series B 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Italian Public Utility Credit Institute 3s 1977	61½	64¾	63¼	65	64⅛	66½	65⅞	68	67¼	69¾	69¼	73⅛	70	73½	70¼	73	70½	72⅝	70¾	72¼	69¼	71⅜	70¼	72½
External 7s series B 1952	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Italy (Kingdom of) 7s 1951	—	—	127½	129½	128¼	129½	—	—	131	135½	135½	135½	—	—	140	140	—	—	—	—	—	—	—	—
Japanese (Imperial Govt)—																								
6½s extl loan of 1924 1954	201	201	—	—	—	—	—	—	206	206	—	—	208	208	—	—	—	—	—	—	—	—	—	—
6½s extended to 1964	103	105	103½	105	104½	106	103¾	105	104¼	104⅞	103½	104⅞	102⅜	104½	102¾	103⅝	102¾	103¾	102⅝	104½	104⅛	105	105	106½
5½s extl loan of 1930 1965	—	—	—	—	—	—	—	—	—	—	187	187	187	187	187½	187½	—	—	—	—	—	—	—	—
5½s extended to 1975	99¾	101	98¾	100	99⅞	100½	100¼	101½	101	102¼	100¼	101⅜	100	100⅞	99⅞	100¼	98½	100	99¾	100¼	100	101¾	100	102⅛
Jugoslavia (State Mtge Bank) 7s 1957	—	—	11½	12	12	12	—	—	10¼	10¼	10⅜	10½	—	—	10⅛	13	12¾	12¾	13	17	16	20	19¾	23⅝
Medellin (Colombia) 6½s 1954	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30-year 3s $ bonds 1978	44½	47⅞	46½	46½	46½	47	47¼	48½	47½	47⅝	—	—	45	47½	46⅛	48½	47½	48¼	48¼	49	48	48	49	49
Mexican Irrigation—																								
4½s assented (1922 agreement) 1943	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4½s small 1943	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New assented (1942 agreement) 1968	—	—	13⅞	13⅞	—	—	—	—	14	14	13⅞	14⅛	13¾	13¾	13¾	13¾	—	—	—	—	14	14	14½	14½
Small 1968	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mexico (Republic of)—																								
5s of 1899 due 1945	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Large	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Small	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5s assented (1922 agreement) 1945	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Large	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Small	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5s new assented (1942 agreement) 1963	18⅜	18¾	—	—	18⅜	18½	18⅝	19⅛	—	—	18⅞	18⅞	—	—	—	—	18⅜	18⅜	18⅝	19	19	19	18¾	18⅞
Large	18⅛	18¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Small	18½	18½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4s of 1904 (assented to 1922 agreement) 1954	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4s new assented (1942 agreement) 1968	13	13	13⅛	13⅛	13⅛	13¼	13⅜	13½	13⅜	13⅜	13½	13½	13¼	14¼	—	—	13¼	13¼	13¼	13¼	13¼	13⅝	13⅜	13½
4s of 1910 (assented to 1922 agreement) 1945	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Small	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4s new assented (1942 agreement) 1963	17½	17½	18	18	—	—	—	—	18¼	18¼	18	18⅜	17¾	18	18	18½	—	—	—	—	18	18	—	—
Small	17⅜	17⅜	17⅝	17¾	17¼	17¼	17½	17½	17½	17⅞	18	18¾	—	—	17¾	18½	—	—	17⅜	18½	18	18½	17⅜	17⅜
Treasury 6s of 1913 (assented to 1922 agreement) 1933	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Small	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6s new assented (1942 agreement) 1963	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	20	20	20¾	20¾
Small	19⅝	19⅝	19¾	19¾	—	—	20½	20⅝	21	21	—	—	—	—	20½	20½	20	20	20¼	20¼	20	21	—	—
Milan (City of) 6½s 1952	—	—	—	—	—	—	—	—	—	—	132	132	—	—	—	—	—	—	—	—	—	—	—	—
Minas Geraes—																								
External s f 6½s 1958	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (Int reduced to 2.125%) 2008	—	—	45	48½	44	45½	42¾	44	42½	43½	44	44	—	—	—	—	48	48	—	—	—	—	—	—
External s f 6½s 1959	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (Int reduced to 2.125%) 2008	—	—	—	—	45	45	—	—	43	43¾	44	44	—	—	—	—	50	50	49	49	44	45	43	43
Norway (Kingdom of)—																								
External sinking fund 4¼s old 1965	99½	100⅛	99½	99½	99½	100	100	100½	100	100½	99½	100	99⅝	100⅛	99¾	100⅛	96	100	97⅞	98	97⅞	99	98	98⅛
Called bonds April 1	—	—	—	—	99½	99½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
External sinking fund 4¼s new 1965	98⅛	99½	99	100	99½	100½	99⅞	100¾	99½	100¼	99	99½	99½	100⅛	100⅛	101¾	97	100	95¾	97¼	95¾	95¾	95¾	98
4s sinking fund external loan 1963	99½	99⅝	99½	99½	99½	99½	99½	99¾	99½	99½	99½	100¼	99¾	100½	100⅛	101½	98	100⅛	95½	97½	99	99	96¾	97½
5¼s s f ext loan 1973	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	98¾	99⅜	98⅛	98⅞	97½	98¾
Municipal Bank extl s f 5s 1970	101¼	101¾	100⅝	102	—	—	100⅝	100⅝	100⅜	100⅜	100⅛	100⅛	100½	100⅝	100½	100¾	100½	100¾	100	100	—	—	99	99⅛
Nuremberg (City of) 6s 1952	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4½s debt adj 1972	—	—	85	85	85	85	—	—	—	—	—	—	—	—	92	92	—	—	—	—	—	—	—	—
Oslo (City of) 5½s ext 1973	—	—	—	—	—	—	—	—	—	—	98¼	98¾	98⅛	100¾	99¾	102¼	100⅛	102	99½	100¼	99¼	100⅜	100	101
Oriental Development Co Ltd—																								
6s external loan (30-year) 1953	—	—	—	—	—	—	—	—	—	—	195½	195½	197	197	—	—	—	—	—	—	—	—	—	—
6s due 1953 ext 1963	96½	98⅛	97½	99	98½	99¾	99½	101¼	100	101½	99¾	101[illegible]	101	101⅝	100	101¾	100⅛	101⅛	100⅛	100⅛	100⅛	101	100¼	101
5½s external loan (30-year) 1958	—	—	177	177	176	176	—	—	181	181	—	—	—	—	—	—	—	—	—	—	—	—	185	185
5½s due 1958 ext 1968	91	91¼	91	92	93	93	95½	96	95	97⅜	94	95	94¼	98	94⅝	96	95⅛	96⅞	95⅞	96	95⅞	96½	95	95½
Pernambuco (State) 7s 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (Int reduced to 2.125%) 2008	—	—	44	46	47¾	47¾	—	—	42⅞	42⅞	—	—	43	43	—	—	48½	48½	—	—	43	43	43	43
Peru (Republic) extl s f 7s 1959	74	74	—	—	—	—	81½	81½	79⅝	80	—	—	79⅝	80	80½	81	—	—	—	—	82	82	82¼	82¼
Natl loan extl s f 6s 1st series 1960	74	75⅛	76	76	78	80	79	82½	79	79	78¼	79	78¾	80	79¼	81	81¼	82	82	82½	81	81½	81	81¾
Natl loan extl s f 6s 2nd series 1961	—	—	75¼	76¼	—	—	79	81	—	—	78¼	78⅞	78¼	79	79	81	81⅝	81⅝	82	82	81	81¼	81⅜	81⅝
Poland (Republic)—																								
Gold 6s 1940	—	—	22	22	—	—	16⅛	16⅛	—	—	—	—	—	—	14½	14½	—	—	—	—	14¾	14¾	—	—
4½s assented 1958	—	—	14	16	—	—	13½	15¼	14½	14½	—	—	12⅛	12⅜	—	—	13⅛	13⅛	13	14¼	12⅞	12⅞	11⅛	12⅞
Stabilization loan s f 7s 1947	—	—	18	18	—	—	16½	16½	14	17	14	14	—	—	—	—	—	—	—	—	—	—	—	—
4½s assented 1968	12	13½	13	16	15¼	15¼	14½	15¼	11	11¼	12⅛	12⅛	12	12⅜	12⅝	12¾	—	—	13½	14	12⅞	12⅞	11⅜	11½
External sinking funds gold 8s 1950	16	16	15⅛	15⅛	15⅝	15⅝	15⅝	15⅝	14⅛	17⅜	14½	14⅝	14½	14½	14⅝	14¾	—	—	—	—	14¼	14¾	14¼	14¼
4½s assented 1963	13	13¾	14	16	—	—	14	15¼	11	11¼	12⅛	13	12⅛	12⅜	12⅝	13	13⅛	13⅛	14	14¼	12⅞	13	11⅛	12¾
Porto Alegre (City) 8s 1961—																								
Stamped pursuant to Plan A (int reduced to 2.375%) 2001	50	50	49¼	49¼	—	—	50	50	55	55	58	58	—	—	—	—	54	54	—	—	55	55	54¼	55
7½s 1966 stamped Int reduced to 2.25% 2006	53	53½	—	—	48⅜	48⅜	—	—	48½	48½	53	53	53	53⅜	—	—	—	—	—	—	48¼	49½	48½	48½
Prussia (Free State)—																								
6½s s f gold extl ('26 loan) 1951	—	—	—	—	—	—	110	110	—	—	—	—	—	—	—	—	—	—	—	—	124⅜	124⅜	—	—
6s s f gold extl ('27 loan) 1952	—	—	111½	111½	—	—	112	112	112	112	—	—	—	—	122	122	—	—	—	—	—	—	—	—

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Rhine-Main Danube 7s 1950	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rhodesia & Nyasaland 5¾s 1973	—	—	—	—	—	—	—	—	—	—	—	—	—	—	96¾	97¼	96½	97	96¾	97¾	96¾	97⅝	96½	97¼
Rio de Janeiro (City) 8s 1946	88	88	—	—	—	—	—	—	—	—	—	—	—	—	89	89	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (int reduced to 2.375%) 2001	54½	54⅞	55	55	55	56	57	57	57	57½	51½	53	—	—	54½	55	54½	54½	56	56¼	53¼	55	55	58
External secured 6½s 1953	—	—	—	—	66	66	—	—	66	66¼	—	—	—	—	68¼	68¼	—	—	67½	67½	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 2%) 2012	38¾	39¾	38	38¾	37¾	38⅜	37¼	37¾	37⅝	38⅛	38⅛	38⅛	38½	39½	39¾	40	38	39	38⅛	38⅜	38⅛	38⅛	38⅜	38⅜
Rio Grande do Sul (State)—																								
External 8s loan of 1921 1946	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 2.5%) 1999	62	63	62½	63¼	—	—	—	—	64½	69	—	—	—	—	—	—	—	—	66	70	—	—	63	63
External sinking fund gold 6s 1968	—	—	78½	78½	78	78	—	—	—	—	82	82	—	—	79	79	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 2%) 2012	—	—	50	51½	51½	52	52	52	51⅜	54¼	50	56⅞	49	49	50⅛	51	52	52	52	52½	52⅛	56	52	60
External 7s loan of 1926 1966	—	—	—	—	—	—	—	—	—	—	—	—	—	—	85½	85½	86½	86½	—	—	—	—	—	—
Stamped pursuant to Plan A (Int reduced to 2.25%) 2004	52½	52½	52	52½	52¼	52¼	53	53	54	60	51	54	51	51⅝	53	53	53	54	57	57¾	56	59¾	52	52
7s 1967 stamped Plan A (Int reduced to 2.25%) 2004	52¾	52¾	—	—	52⅞	52⅞	53	53	53	53	52	52	—	—	—	—	51	52	—	—	—	—	—	—
Rome (City of) 6½s 1952	123¾	123¾	—	—	—	—	—	—	129	129	—	—	134	134	—	—	—	—	—	—	—	—	—	—
Sao Paulo (City)—																								
8s extl secured s f 1952	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A Int reduced to 2.375% 2001	55	55	56	56	56	56	—	—	54	54	—	—	—	—	—	—	—	—	57	57	—	—	57	57
6½s external sec sinking fund 1957	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A Int reduced to 2% 2012	—	—	55	55	55	55	55½	55½	—	—	55	55	—	—	—	—	58	60⅞	57	58	—	—	—	—
Sao Paulo (State) 8s 1936—																								
Stamped pursuant to Plan A (Interest reduced to 2.5%) 1999	97	98	93	93	92	92	93½	93½	—	—	95	98	95	98	—	—	92	92	—	—	90½	90½	92	92
External 8s 1950	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (Interest reduced to 2.5%) 1999	—	—	—	—	95	95	—	—	95	96	95	97	—	—	95	95	96	96	—	—	95	95½	—	—
External water loan 7s 1956	—	—	—	—	—	—	—	—	—	—	—	—	121	121	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (int reduced to 2.25%) 2004	89	90	92	96	92	96	88	88	—	—	—	—	—	—	92½	92½	93½	94	—	—	93	93	93	93
External dollar loan 6s 1968	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stamped pursuant to Plan A (interest reduced to 2%) 2012	91	98	92½	92⅝	89	91	88	88	92	92	92¼	97	93	95	90	91	—	—	89	90	—	—	—	—
Serbs, Croats & Slovenes—																								
External secured 8s 1962	9	9⅛	9⅝	11½	11⅜	11⅜	12½	12½	10	10⅛	10	12½	10	10⅞	10	12¾	11⅜	11⅞	11⅝	15¾	13½	14	12⅝	14
External secured 7s series B 1962	8½	10	9⅛	12	11⅜	11½	10¼	11⅜	10	10⅞	10	11½	10	10¾	10	12½	11⅜	12	11½	15½	13	14	12	14½
Shinyetsu Elec Power Co Ltd—																								
6½s 1st mtge s f 1952	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6½s due 1952 extended to 1962	—	—	—	—	100¼	100¼	—	—	101	101	—	—	101	101½	—	—	101	101⅝	—	—	—	—	—	—
Silesia (Province) external 7s 1958	—	—	—	—	—	—	—	—	15	15	—	—	—	—	—	—	—	—	—	—	—	—	14¼	14⅜
4½s assented 1958	—	—	11⅛	11⅛	12	12	12	12	13	13	11¼	11¼	11	11	10½	10½	10⅝	10⅝	10⅝	11⅞	10¾	10⅞	10⅜	11¼
South Africa (Union of) 4¼s 1965	93	94⅞	92½	93⅝	93⅛	95⅜	93⅝	95¼	95	96½	95½	97½	97	98½	98⅛	99	99⅛	99¾	97¼	100¼	94⅜	97⅛	94¼	95½
5½s external loan 1968	—	—	—	—	97⅝	98¾	98	98¾	97½	98⅞	97½	98¾	98¾	100½	99⅝	101⅝	100	101¼	99⅝	100⅝	99	100¼	98½	99½
Taiwan Electric Power Co Ltd—																								
5½s (40 year) s f 1971	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5½s extended to 1981	89⅛	91½	88	89½	89½	91	91	94	95	95	94	95½	94	97	94	95	94⅛	94¼	94½	95	95	95	—	—
Tokyo (City of)—																								
5½s extl loan of 1927 1961	—	—	—	—	—	—	184½	184½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5½s due 1961 ext 1971	100	100⅛	100	100	98⅛	98⅛	99½	99½	99½	99½	100	100	100	100	98¾	99	98½	99¾	99¾	100½	100½	101	99½	99½
6s sterling loan 1912 1952	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
With March 1 '42 cpn on	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Tokyo Electric Light Co Ltd—																								
6s 1st mtge $ ser 1953	193½	193½	194	194	193	193	196	196	—	—	—	—	198	198	199⅝	200	—	—	—	—	—	—	—	—
6s 1953 extended to 1963	97½	99⅝	98⅞	99¾	99⅛	100¼	100½	101½	100½	101⅜	100⅜	101⅞	99¾	103⅞	100⅝	102½	100⅝	101¾	100⅞	102⅞	102	103	100½	102¼
Uruguay (Republic of)—																								
External 8s 1946	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ext sinking fund 6s 1960	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Extl sinking fund 1964	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¾-4-4⅛s ($ bonds of 1937)—																								
External readjustment 1979	78	82½	83	86	83⅛	89	83¼	84⅛	83¼	84½	82½	84	83⅛	85½	86	90	87½	92½	84½	87½	82½	85	82¾	85
External conversion 1979	—	—	—	—	95	95	—	—	—	—	88	88	88½	89	92	92	92	92½	—	—	87	88	88⅛	88¼
3⅞-4⅛-4¹⁄₁₆s external conv 1978	—	—	—	—	86½	86½	87½	89	89	96	86½	97½	87½	88½	91	91	—	—	91	93½	—	—	90	90
4-4¼-4½s external readjust 1978	87	90	88	89½	85½	89	89	90	92	94½	90¼	94½	91	92	93	95	91	93½	91¾	93	91¾	92¼	92	94½
3½s external readjustment 1984	—	—	—	—	—	—	—	—	85	85½	—	—	—	—	—	—	—	—	—	—	—	—	87	87
Valle Del Cauca—																								
See Cauca Valley (Dept of)																								
Warsaw (City) external 7s 1958	14	14	—	—	—	—	14½	15	13½	13½	12	13½	11	12	12½	13⅝	12	12	13	13	12	12	11½	11½
4½s assented 1958	11⅛	12	12	13	—	—	11½	11½	9½	11¼	—	—	9½	11	9½	10	11	11	—	—	9¾	10	—	—
Yokohama (City of)—																								
6s external loan of 1926 1961	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6s due 1961 ext 1971	99	100	99⅞	100	98½	98½	99¼	100	—	—	100	100	99⅞	100	100	100⅛	100	100⅛	101¼	102	102	102	—	—
Railroad and Industrial Companies																								
A																								
Ala Gt South 1st m 3¼s ser A 1967	—	—	—	—	—	—	—	—	—	—	93	93	—	—	93½	93½	—	—	93½	93½	—	—	—	—
Alabama Power 3½s 1972	97	98	97¼	98	97	97⅝	95¾	98½	97⅛	97½	97½	99	98½	98¾	98	98¾	—	—	—	—	90¾	90⅞	90¾	90⅞
1st mortgage 3⅛s 1984	86	86	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Albany & Susquehanna 1st 4½s 1975	—	—	93½	93½	93½	93½	—	—	94	94	94	94	94⅛	94⅛	94½	94½	—	—	95	95	95	95¼	95⅜	95⅜
Aldens Inc. 4½s conv subord deb 1970	33	86	86¼	87½	87½	90	90	93½	94	96¾	94	97	92¼	95	91½	92½	91½	97	96	97	97¾	104½	102	107
Alleghany Corp 5s debs series A 1962	97	97	95	96½	96	97	95	97	97½	98⅜	97	99	99	100	98	99	97¾	99	99¼	99½	98¼	100	99⅜	100
Allegheny Ludlum Steel Corp—																								
4s conv subord debs 1981	96	100¼	99¾	102½	100⅛	103½	101	103¼	99½	103½	102	105¾	100	105	103½	107	102⅞	107½	105¾	111	109¼	113⅝	110¼	114
Allegh & West 1st gold guar 4s 1998	61	61	63	63	63	63	63	63	63	64	—	—	63	63⅛	63½	63½	63⅝	65	65	65⅛	66	68⅛	65	68
Allied Chemical & Dye 3½s deb 1978	99½	101	98¾	100½	98½	99¾	98½	100	98⅝	99⅜	98¾	99½	97⅝	99½	94⅛	98¼	93¼	95	93½	95¼	93¼	94½	93	94¾
Aluminum Co of Amer 3⅛s 1964	98¼	100½	99½	100½	100⅛	101¼	100⅛	101⅛	100	100¾	99⅝	101⅛	99½	100¾	97¼	100½	97⅝	99	98⅛	99⅛	99	100	97	100
3s s f debs 1979	91⅛	94	92	92½	92⅛	93	90	92¼	91¼	93	92	93	90	92½	89	93	88⅜	88½	83½	85	84⅛	84½	84½	87
4¼s s f debentures 1982	104⅝	105¾	104½	105¼	104⅛	105¾	104½	105⅞	104½	106¼	105	106½	105¼	106⅜	99¾	106⅜	99	100½	99⅝	102⅜	101¼	102	100⅝	102¼
3⅞s s f debentures 1983	—	—	—	—	—	—	—	—	100⅛	101½	99¾	101¾	98½	101	94¼	99¾	92⅛	94½	93½	96¼	95½	96¾	95¼	96½
Alum Co Canada Ltd 3⅞s debs 1970	100½	102	100⅛	102	100¼	101⅜	101	102	101½	102	101½	103¼	101	103	98½	102	96	99	96⅛	98⅜	97	98⅛	97¼	98¾
4½s s f debentures 1980	105	107¼	105¾	106⅞	105⅜	106¼	105½	107	106⅛	107⅛	105⅞	108¼	105¾	106⅝	100¼	105¾	97½	99¾	98¾	103½	101¼	102¾	100½	102
American Airlines 3s debentures 1966	—	—	87¾	87¾	—	—	81	87¾	89	90	90	90½	90⅛	90½	90	90	90	90	90	90⅜	90	90	90	93
Amer Bosch Corp 3¾s debs 1964	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
American Can 3¾s debs 1988	—	—	—	—	—	—	100	100¾	100	101⅜	99¾	101¾	99	101¼	94	99¼	92¼	93⅞	92	96¾	95	96½	94	95⅞
Amer & Foreign Power deb 5s 2030	81	83⅞	81½	84½	79½	83½	79	83¼	—	—	81⅝	84	81½	83½	81⅛	82⅞	80⅝	83¼	82⅛	83¼	82⅞	84½	83	85¾
4.80s junior debs 1987	71	72¾	72¼	74½	72½	74¼	73½	74½	74	75½	75⅜	78½	74	76	75¾	77¾	76	77½	74¼	77¾	75¼	77¼	75¾	78
American Mach & Foundry Co—																								
4¼s subord convertible debs 1981	109¼	119	114	121⅞	113	120½	114	118½	110¾	115	111½	117	117	122	120½	134	130¼	149¼	147½	171	167	190	170¼	181⅜
5s conv subord debs 1977	105	108½	106¾	109¼	107½	110⅛	108⅜	109⅝	107½	110	107¾	110¾	110¼	117½	113	118	116	125	124	141	137	155	137	148
American Telephone & Telegraph—																								
2¾s debentures 1980	86	87½	84⅜	86⅝	84	85½	84¾	88½	85½	87½	84	86¾	81½	85	78	82	77½	79⅝	77¾	82	78⅜	81	78	79½
2¾s debentures 1975	88	89½	87	88⅞	85½	89	88¼	91½	89⅛	92	90	92¼	85	91⅜	81	86	82	85	82½	84	81⅝	83½	81¾	84
2⅝s debentures 1986	82¼	84¼	82	83	79½	81	80½	84	81	83¼	78⅝	82¼	77½	79¾	75	77⅝	75	78	75	76⅞	75⅛	76¼	74¼	75⅞
2¾s debentures 1982	85⅞	87	85¼	87¼	84	85⅜	84⅛	87	85	87½	83⅝	86¾	82	83¾	79	81¼	76	78½	77½	79½	78⅛	80	78	79¼
2⅞s debentures 1987	85¼	86¾	85⅜	86¾	84	86¼	84¼	87½	85¾	88	84½	86⅞	82	84⅛	77½	83½	77	79⅛	78	79¼	78⅞	80	78	80
3⅜s debentures 1973	98	99⅞	98⅜	100	97½	99½	98½	100⅞	99	100⅜	99	99⅞	96	100	92	98¾	91	94	91½	95	91¼	92½	90⅜	92½
2¾s debentures 1971	91	92¾	90⅛	91⅜	90	91⅞	91	95	93⅛	95	91¾	94	88	92	86¾	88¾	85	86¾	84½	87	86¼	88½	86	88
3¼s debentures 1984	93¾	95½	93½	94¾	91½	94¼	92½	96½	94½	96⅜	93¾	95	90½	93¼	83½	90½	83⅞	87¼	83½	86	84½	85½	83	84¾
3⅞s debentures 1990	99½	101¼	100	101	98⅞	100½	100	102⅜	101⅛	102¼	99½	101⅞	97	100½	94¾	97¾	92½	95	92½	95	92¼	94¼	90¼	93¾
4⅜s debentures 1985	104⅛	105¼	104¼	106¼	103½	105⅛	104⅛	106½	105⅜	106½	105⅛	106¼	103⅞	106¼	99¾	104¼	98⅜	100½	99⅜	101¾	100⅝	101¾	99⅞	101⅛
5s debentures 1983	107⅝	109⅝	109¼	110½	108	110	110	111⅛	110⅜	111	110⅝	112	107¾	111⅝	106	108⅝	105⅝	107⅜	106	109	107	108½	107⅜	108⅜
4¼s conv debs 1973	124¾	128½	125⅜	127⅛	126⅝	129⅜	128¾	134½	131¼	135	134⅛	137½	134¾	137¼	137¼	141	140¼	153½	147¼	153⅞	151⅜	161	156	185½
American Tobacco debentures 3s 1962	97¼	99½	97½	99	98¼	100	99	101¼	100½	101⅜	100½	101	100¼	101¼	99	101	95	98¼	95½	98½	98⅛	99¾	98	99¼
3s debentures 1969	94⅝	97¼	95	96⅜	95½	97	95½	99	97⅝	98½	97¾	99½	96½	99	91½	97	90½	92⅛	89¼	92	91¼	93	92½	94
3¼s debentures 1977	96⅛	98	96	96¾	93⅜	93½	93¼	95¼	94	94½	94	95½	93	94½	88½	90¼	87	88½	85¾	88¾	87½	89¼	87½	88⅛
Anglo Lautaro Nitrate Corp—																								
1st mortgage 4s Dec 31 1960	96	96	97	98¼	98½	99	98⅝	98⅝	—	—	—	—	99⅝	99⅝	99⅝	99⅝	99⅝	99⅝	99⅞	100	100	100	—	—
Anheuser Busch 3⅜s debs 1977	92⅜	92⅜	92⅜	92⅜	93½	93½	94	94	94½	95	95	95½	95⅛	95⅛	94	95	88½	88½	89	89	88⅝	88¾	—	—
Ann Arbor 1st gold 4s July 1995	61⅝	62¾	—	—	—	—	—	—	65⅛	65⅛	65⅛	65⅛	65	65	64	64¼	61⅝	62½	65	65	65	65	65	65
A P W Products 5s 1966	76	76	—	—	75	90	90	91	—	—	89⅞	90	91	92	—	—	—	—	—	—	—	—	—	—
Armour & Co 5s inc subord, debs 1984	69½	76⅜	71¾	75½	73¾	76½	76¼	79	x75½	79½	76	79¼	74½	79⅛	77	80	77½	79¼	78⅛	79¼	x76	78⅝	77¼	79
Associates Invest 3⅜s 1962	97½	99½	98¾	100¼	99½	100½	100½	101⅜	100½	100⅞	100¼	101⅜	99½	101	97½	100½	94	94	95⅝	96⅝	96⅝	99½	97	97½
4½s debentures 1976	104¼	105	104	105¼	104⅛	105¼	104⅛	105⅜	104½	105⅛	104⅞	105⅛	105	105¼	104	104½	103½	104	101½	102	102½	103½	102½	103½
5¾s subord debentures 1977	109½	109½	109½	110	107¾	109	108	110¼	109	109⅛	109	109⅛	108½	109½	—	—	106⅞	106⅞	104⅛	105	105	106½	105	107
5¼s debentures 1977	111⅛	112	111	111⅝	110½	111¾	111	113⅝	112¾	113½	113⅜	114¼	112½	114½	111	111	105	106	105¼	109	109	109½	105¼	108
Atchison Topeka & Santa Fe—																								
General 4s 1995	105¼	107¼	103¼	106	102¾	104⅞	103¼	107½	104	107	102½	106½	100⅜	104¼	99½	102	95	99½	94½	100	99	100½	96½	99½
Stamped July 1995	98	101¼	98	99⅛	98	100	98¼	99	99	102½	98½	102½	97¾	100	95¾	97	93	93½	91	93⅛	92	93	92	94

NOTE: All bond footnotes shown on page 28

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Atlanta & Charlotte Air Line—																								
1st mortgage 3¾s 1963	93	93	97	97	—	—	—	—	96	98	96½	98	95⅛	95⅛	—	—	—	—	—	—	95⅝	95⅝	96	96¼
Atlantic Coast Line—																								
General unified 4½s series A 1964	98½	103	102¼	103⅝	100	103	101	102⅛	100⅛	102¾	100⅛	103½	102½	105	100½	104	99¾	101½	98	101½	100⅝	101½	101	102⅝
General mortgage 4½s-4s ser A 1980	84⅞	85½	84¾	85¼	83½	85	84	85	83	83½	82	84¼	84	85	82⅛	82½	82⅛	84	82½	82¾	83⅛	85⅝	86⅛	87
4½s series C 1972	91½	91½	91¼	91¼	—	—	88⅞	89	87	88	88	92¼	93⅛	93⅛	93½	95	88	93½	87½	89⅛	88	89⅝	89⅝	93
Gen mortgage 3⅝s ser D 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Atlantic Refining 2⅝s 1966	94	97	96	97½	93	96	96	96½	95½	96½	96½	97⅝	93⅛	96½	91⅛	94	90	91½	89	92½	92½	92¾	91¼	92⅝
3¼s debentures 1979	96	99¼	98	98½	97	97½	95⅝	97	97	97½	97½	98	95½	96½	95	96	87⅛	94	87⅝	87⅝	87¾	89⅜	88½	90¼
4½s conv subord debentures 1987	107¾	109½	107½	109⅜	106½	108¾	107	109⅞	108¼	109¾	107⅜	109¾	109	110¾	104¾	111	104¼	107¼	107	109¾	109⅛	114¾	111¼	114

B

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Baltimore & Ohio RR—																								
1st cons mtge 3⅞s series A 1970	82	83½	82	83	81	82½	80	83	82¾	85½	85	90	87½	89⅞	84	86	84½	85⅛	84½	86	85½	86½	87	89½
1st cons mtge 4s series B 1980	72	74¾	72½	75½	72	74½	70½	75	73½	77	76¾	80¼	76½	80	76	78	74⅛	77	74⅛	76	74⅛	77½	75¼	78
1st cons mtge 4¼s series C 1995	72½	74¾	73½	76⅞	73½	75	72¼	76½	75	78	77½	82½	80	81½	74	78⅛	74½	76	75½	77¾	76	78	76½	79½
Convertible 4½s income Feb 1 2010	71½	75	71½	74½	71	72⅞	70	73½	71⅛	75⅜	74½	76⅞	74½	76	72¾	76	74⅝	76⅞	74¼	76¼	74¼	75⅞	76	79¾
4½s conv debs series A 2010	65	67¾	65⅛	67¾	64¼	66½	63½	69⅞	68½	75	72	74⅞	69½	72⅞	71	74¼	72	75	73½	74⅞	73	74⅝	73½	74⅞
Baltimore Gas & Electric Co—																								
1st & ref 3s series Z 1989	89	89	—	—	—	—	88½	88½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st & ref 3¼s 1990	—	—	—	—	—	—	90½	92	—	—	—	—	—	—	—	—	—	—	91	91	87	87	86	86
1st ref mtge s f 4s 1993	—	—	—	—	—	—	—	—	102¾	103¾	102⅜	104	101⅞	103¼	98¼	101	98	98½	—	—	98	99	97⅞	98⅞
Bell Telephone of Pa 5s ser C 1960	100	101	100½	100½	99⅞	100 1/16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Beneficial Finance 5s 1977	106	106⅞	106¼	108½	108⅛	108¾	108	110	108	109¼	109¼	109⅝	108½	109⅝	103	105¾	102½	105	103¼	105½	107¼	107½	104½	107½
Beneficial Industrial Loan 2½s 1961	94¼	95¼	94¼	95½	96¼	97½	97	98½	97¾	98½	98¼	98½	99	99	94⅛	96½	94½	95½	94⅝	95	95½	96½	95¾	96
Berlin City Electric 6s 1955	148	148	165	165	—	—	—	—	—	—	—	—	172	172	—	—	—	—	—	—	—	—	—	—
6½s sinking fund debentures 1951	—	—	176	176	—	—	—	—	—	—	182	182	—	—	—	—	—	—	—	—	—	—	176	176
6½s sinking fund debentures 1959	—	—	—	—	—	—	—	—	186⅝	186⅝	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Berlin Power & Light Co—																								
Debt adjustment																								
4⅞s debentures series A 1978	67	77½	81	84	81⅜	81⅜	80⅞	80⅞	84	85⅜	84	84⅜	86	86¼	86¼	87	92½	93	93	93	90	91¼	—	—
4⅞s debentures series B 1978	67½	71⅜	77⅝	77⅝	78⅞	78⅞	—	—	80½	80½	80½	80½	—	—	—	—	89	90½	89	89	—	—	80	83½
Bethlehem Steel Corp—																								
Cons mtge 2¾s series I 1970	91⅛	92½	91	94	92¼	93½	93	95	93¾	95½	94¾	95½	91½	93¼	87	91	86½	92	86½	91½	86½	88¾	87⅛	88⅝
Cons mtge 2¾s series J 1976	87	87½	—	—	88	88¼	88	88	—	—	88	88	—	—	88	88	86½	87½	—	—	82½	82½	82½	83
Cons mtge 3s series K 1979	89½	89½	90½	93	93¼	93¼	93¼	94	92½	92½	92½	95	93⅜	93⅜	—	—	88	88	88	89	—	—	85	86
3¼s convertible debentures 1980	112½	119½	117½	120	117½	122½	113	121	120	126½	120½	127¾	121¾	142	134¼	141½	137½	151	148	173	149	166	151	167
Boeing Airplane Co—																								
4½s conv subord debs 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	107	111½	107	112	110	128¼	114½	128	115	119¾
Borden Co 2⅞s debentures 1981	91	91	89½	89¾	90	90	—	—	91	91½	91¾	92½	91	91	91	91	—	—	—	—	85½	85½	85	87
Boston & Maine 1st 5s A C 1967	56	56	56½	58½	56	57½	55	58	56	58¼	56½	62	61⅝	65	62	67	63	67	66	69	63½	67	63	65
1st 4¾s series JJ 1961	—	—	—	—	65	65	—	—	63	63	66	66	65	65	—	—	63¼	63¼	—	—	—	—	65⅛	65⅛
1st 4s series RR 1960	53	57½	51½	56¾	49	53⅜	49	57¾	54	58	58½	65½	62	67	65	68¾	65⅛	69½	66	70	67⅜	69½	63	68½
Income 4½s series A 1970	31½	40⅝	34½	41	33⅜	35¾	34	41⅞	34¼	37½	34⅜	38⅜	34½	38	37⅛	39¼	38	47	44	49	43	46	41	45
Bristol-Myers Co 3s debentures 1968	—	—	92	92	92	92	92	95	—	—	93⅝	94¾	93⅝	95	—	—	—	—	92	92¾	91	91	91	91½
Brooklyn Union Gas gen mtge 2⅞s 1976	86½	89	87¾	89	85½	86	86½	88	87¾	88½	88	89	86⅞	86⅞	—	—	—	—	—	—	82	82	81½	82½
First mortgage 3s 1980	—	—	—	—	—	—	85½	85½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge 4⅛s 1983	—	—	—	—	—	—	—	—	—	—	101⅜	101½	99⅞	101½	97	100⅜	97¼	98½	97	98½	98¾	98¾	98¾	98¾
Brown Shoe Co 3½s debentures 1971	95	96	97½	98	98	98	—	—	94	98	94⅜	94½	95	95	94½	95½	—	—	93	93	—	—	94	94
Brunswick-Balke-Collender—																								
5s conv subord debentures 1972	143⅜	165	150	165	165½	167¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4¾s conv subord debs 1973	—	—	—	—	—	—	110½	115½	110	114⅜	111¾	117½	114¼	117¼	114¾	120¼	118¼	137	132½	188	165	183⅞	156½	172½
Buffalo Niagara Electric 2¾s 1975	88¼	90	89	90	87¾	87⅞	88¼	89	88	89	89	90	89	90	—	—	81	81	81¼	81⅝	83	83	82⅛	85
Burroughs Corp 4½s cv sub debs 1981	109¼	115¼	109½	114¼	108⅛	111	109	112¾	110⅝	113¼	113	119⅜	111½	114½	111⅜	114	113	114¾	114¼	120⅝	114	120	116	130
Bush Term Bldg stamped 1st 5s 1960	100	100	100⅛	101½	100½	101½	100⅝	100⅝	100½	102	100¼	100½	101½	101½	—	—	101⅛	101⅛	100¾	101	100½	100¾	101	101
General mortgage 5s income 1982	87	87½	86½	89	87	89	88	95	96	96	96⅞	97	91	97¼	92	96	92¾	97	92	95	91	93	94	95

C

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
California Elec Power 3s 1976	—	—	89	92	—	—	—	—	88½	88½	88	88	—	—	—	—	—	—	—	—	80	80	80¾	80¾
California-Oregon Power 3⅛s 1974	89	89	92	92	—	—	91	91	91	92¾	89	90½	—	—	—	—	—	—	—	—	84	90	83	83
Canada Southern cons gtd 5s A 1962	100	103	99½	102⅜	99¼	100½	99¾	100¾	99⅛	100	97	100	95¼	98¼	92	96	93⅜	96½	96⅝	99¾	98¼	99½	98¼	99½
Canadian Pacific—																								
4% debenture stock (perpetual)	92½	93⅞	92¾	95⅜	94⅛	97	97⅝	99	97	98½	95⅞	98¼	93½	97¾	93½	98	96	97⅞	91	96½	93½	95⅛	93½	94¾
Capital Airlines Inc—																								
4¼s conv subord debentures 1976	56⅞	72	68	72⅛	68¾	71	66⅝	70⅞	65	70¼	67¾	70¼	67½	70½	67½	72¼	67	70½	68	70	68	70	69¼	81
Carolina Clinchfield & Ohio 4s 1965	99¼	100¼	100	100¼	100	101	100¼	101	101	101¾	100¼	101½	100½	100¾	100	101	100	100	94	94	95½	97	96	97
Carthage & Adiron 1st gtd 4s 1981	56	57	—	—	55⅞	55⅞	52⅛	52⅞	50⅛	50⅛	50⅛	52⅞	—	—	51	52	51½	53	56	56	57	57¼	—	—
Case (J I) Co 3½s 1978	76	76	80	82	82	82	—	—	—	—	—	—	82	82	82	82¼	—	—	82⅛	82½	78½	79	—	—
5½s conv subord debs 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	112	118	115⅛	117⅞
Caterpillar Tractor 4½s 1977	105¼	106⅜	105¾	106⅞	105⅞	106½	106⅞	107¾	107	107¾	106½	107½	106½	107½	106⅜	106⅜	100	102	100½	103¼	103⅜	106	103	106
Celanese Corp of Amer deb 3s 1965	86	89	88	94	90	93	92	93	92½	93⅛	93	94½	93⅛	94½	93	94	89⅛	93	89⅜	90⅛	85⅝	90	87½	90⅝
3½s debentures 1976	76	81½	79½	81½	79	79	77½	78	—	—	83	84½	84	84	83	84	85	85	82½	82½	82¾	84	84	84
Central of Georgia Ry—																								
1st mortgage series A 1995	75	75½	74¾	76½	75	76	73	75½	73⅝	75	76	78	80	82	78	80⅞	73	74⅛	74⅜	75½	74	76	75	78¼
General mortgage 4½ series A 2020	—	—	—	—	—	—	x83	83	—	—	—	—	83	83	83	83	85	85	—	—	—	—	—	—
General mortgage 4½ series B 2020	60	62	62⅝	66	68	68½	x63	69¾	63	65	64⅝	65⅜	64⅛	65	64⅛	65	64⅛	69⅝	69⅛	70	68½	70	68	69½
Central RR of N J 3¼s 1987	42	45⅜	42⅛	45	38¾	42½	39½	44¼	42	43½	42½	44	41½	43⅝	43⅛	45	40	44½	41⅜	42⅞	40¼	42⅝	40⅜	44½
Central N Y Power 3s 1974	91	93	91½	93	90⅛	91½	91	92½	91½	93	92	93½	90	92½	—	—	89	89	85¼	86¾	86	86⅛	85	86⅛
Central Pacific Ry 3½s series A 1974	90	90	90⅛	91⅛	—	—	91	91	90¼	90¼	90¼	90¼	90¼	90¼	—	—	90¼	90¼	—	—	90½	90½	90¼	90½
3⅝s series B 1968	93	93	93	93	93	93	93	93	93	93	—	—	—	—	—	—	93	93	93	93⅛	93	93	93	94
Champion Paper & Fibre deb 3s 1965	90⅛	91¾	93	93	95¼	95¼	95½	95¾	95½	95½	95½	95½	95⅛	95⅛	95⅛	95⅛	95	95	95	95	—	—	95	95
3¾s debentures 1981	93½	93½	95¼	95¼	—	—	—	—	—	—	—	—	—	—	95¾	95¾	—	—	—	—	—	—	95½	95½
Chesapeake & Ohio Ry—																								
General gold 4½s 1992	106	106½	105¼	108	105½	107	105⅞	112½	109½	112½	107	111	105¼	109	101⅝	105¼	101½	103	102	105	101½	102¼	102¼	103½
Ref & impvt 3½s series D 1996	89	92	92	92½	91	93	90⅝	93⅛	93	94	91¼	93½	90	91¾	87½	89	85	88¼	82½	85	82½	84	83⅛	85
Ref & impvt 3½s series E 1996	88	91⅛	91	93	92¾	93¼	92½	93¼	93	94	92	92¾	92	92⅝	90	91½	88⅛	90⅛	86¼	87½	86	86¼	85	86¼
Ref & impvt 3⅞s series H 1973	98	100	98	100⅛	99	100	97	98½	97¾	99½	98¾	100¼	99	101	96	98½	95	95½	94	95¼	94	94½	93½	95
Rich & Alleg Div 1st cons 4s 1989	—	—	—	—	96	96	100	100	97	98½	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2nd consolidated gold 4s 1989	—	—	—	—	—	—	—	—	—	—	96	96	—	—	—	—	—	—	—	—	—	—	—	—
Chicago, Burlington & Quincy—																								
General 4s 1958	99¾	99 15/16	99⅞	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st & refunding mortgage 3⅛s 1985	82	83	85	85	85	85	86	86	86	86	86	87	85½	86	85½	85½	83	83	82	82⅛	82½	82½	81¾	82
1st & refunding mortgage 2⅞s 1970	85⅛	85¼	85¼	85¼	84⅝	85¼	85⅛	87	86	86	86	86	85	86	85	85	80	80	80	83½	85	87	84	86
1st & refunding mortgage 3s 1990	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st & ref mtge 4⅜s 1978	—	—	—	—	101⅞	102¾	102	103	102⅝	103¼	103	103	104	104⅜	100	102	99⅞	100¼	97½	98	97	100	99½	100
Chicago & East Illinois Ry—																								
General mtge income (conv) 1997	58¼	64	62½	64½	60⅞	63½	x53½	x60	57½	60	58⅜	65	63	65⅜	65½	67½	66	71	66½	70⅛	68	71½	67	71
1st mortgage 3¾s series B 1985	71¼	71½	71	71⅛	68½	71	—	—	67½	68	68	71	68¼	68¼	67⅝	69¼	66⅛	68¼	68⅛	68⅝	68⅝	69⅛	70⅛	70⅛
5s income debentures Jan 2054	48	53	51	54	47	51	46½	48¾	x43½	46⅝	46⅜	50	47½	50	49	53½	51	58½	57	60	x54¾	56⅝	55½	57½
Chicago & Erie 1st gold 5s 1982	103	103	103¼	103¼	—	—	100½	100½	100	102	100	100	100½	100½	—	—	—	—	—	—	95⅞	96	97	97½
Chicago Great Western 4s ser A 1988	72	77	77⅛	79	78½	80	79⅞	81¾	81⅛	83	82	86	85½	86½	85	86	78	81	78⅜	79¼	80	80⅜	77	80¼
General mortgage 4½s 2038	66⅛	69	69	70	70½	70½	70½	70½	70	72	73	74½	72⅞	74	74½	76	74	76	78⅛	78½	78	79	78	78½
Chicago Indianapolis & Louisville—																								
1st mortgage 4s series A 1983	47	49¾	49⅝	51	48¼	49⅛	47½	50	49½	50	49	52⅞	51	53	51⅛	52½	51¼	51¼	54	56	54	58	55	57½
2nd mortgage 4½s series A 2003	44⅞	45½	46	46	45⅞	48¾	x40⅜	42¾	42⅜	43	42½	44½	43	44	44	44½	43½	47	46⅝	47½	49	56	52½	53¼
Chicago Milw St Paul & Pac—																								
4s series A 1994	79	81	75	80½	74	75⅛	72	75	76¼	80½	76¼	81½	80	81¾	74	80½	74½	78	75½	78	78	80	78½	80
4½s series A 2019	69	71¼	71	71	71	71	71	72	72½	73½	72½	73¼	73	73	71¾	71¾	71¾	75	76	77¾	78	80	78⅛	80
4½s conv inc series B 2044	51	59	54¼	57	54¼	58	56	59⅜	56¾	58¾	57¾	59⅝	57¼	59	58⅝	61½	59⅜	65½	63	66	66	69	67½	69
5s income debs ser A 2055	45⅝	52⅝	50¼	53	x47⅝	52¼	48⅝	53¼	51¾	53⅞	53¼	55½	55	58⅜	58	59¾	x58½	61½	59¼	62⅜	61⅜	62½	61⅝	64½
Chicago & North Western—																								
2nd mortgage conv inc 4½s 1999	44	49¾	44½	49¾	43	47	44	47½	46½	51¼	50⅛	56½	53	56½	55	58½	56¼	66	64⅜	72	70½	78⅛	72⅛	78
1st mortgage 3s series B 1989	—	—	—	—	65¾	65¾	—	—	—	—	—	—	64¼	64¼	—	—	—	—	61⅝	62	63	63¼	63	63⅜
Chic Rock Island & Pacific Ry—																								
2⅞s series A 1980	—	—	75⅛	75⅛	—	—	—	—	75⅛	75⅛	—	—	75	77	—	—	78	78	—	—	—	—	77	77⅛
4½s income debentures 1995	86	90	82	86½	—	—	78	84	78	78½	—	—	79¼	79¼	79	80	78⅜	79½	79	80	82	83	82	83
1st mtge 5½s series C 1983	—	—	—	—	—	—	—	—	101	104¼	102¼	105	103⅝	104¼	101⅜	104	99½	102	100¼	102¼	101¾	103½	102¾	103
Chicago Terre Haute & S'eastern—																								
1st & refunding 2¾-4½s 1994	57	58⅛	58½	58⅜	58½	59¼	58⅞	62	60	62	62	62	61½	62	62	62	62	64	63½	64	63	67¼	66¼	66¾
Income 2¾-4¼s 1994	57	57	58⅛	58⅛	58⅛	59¼	58⅞	58⅞	58⅞	59½	59½	60	60	60	—	—	58½	59	59	59½	59	59½	62⅝	62⅝
Chicago Union Station—																								
1st mortgage 3⅛s series F 1963	93⅝	97	96¼	99½	96½	99	96¼	98	96⅝	97½	97¾	100	96½	98⅜	94¾	97	93½	95½	93½	95½	94	96½	95¼	97
1st mortgage 2⅞s series G 1963	94⅛	95½	95	95	95½	96¼	95	95¾	95	96¼	96¼	96¾	95½	96¾	94½	95	93	93½	92⅝	94¾	92½	93½	92⅝	93½
Chicago & Western Indiana RR—																								
Collateral trust 4⅜s 1982	97	97⅛	97⅛	97½	98⅛	98½	98¼	99⅛	99¾	100¾	99¾	101½	100⅛	101	100½	100¾	93	95	91	91½	94⅝	94¾	95	96¾
Cincinnati Gas & Electric 2¾s 1975	89	90½	90¼	90¾	89	90	90	90	90	91	90⅛	91	90⅛	91	—	—	81¾	82⅛	82⅛	85	82¾	85	84¼	84½
1st mortgage 2⅞s 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	81	81	—	—	—	—	—	—	—	—
1st mortgage 4⅛s 1987	104	105	—	—	104	104⅛	—	—	104½	104⅝	—	—	—	—	100	100	98¼	98¼	98	98⅞	98	98	98¼	98½
Cinn Union Term 1st M 3⅝s ser E 1969	100	100	98	98	98	98¾	99	99	100	100¼	—	—	—	—	—	—	—	—	90¼	90¼	88½	88½	89⅛	89⅞
1st mortgage 2¾s series G 1974	87	87	86	86½	86	86	86½	86½	86½	88½	—	—	86½	86½	84½	86½	83¾	83¾	80⅝	83¾	81⅛	81⅛	81⅛	81¾
CIT Financial Corp 2⅝s 1959	98	99	98⅞	99⅝	99⅜	100	100	100¼	99¾	100½	99⅞	100	—	—	—	—	—	—	—	—	—	—	—	—
Debentures 4s 1960	100½	101½	100⅞	101½	101	101¾	101⅝	103⅛	100½	102⅞	101	102¼	100⅝	102½	100½	101⅞	100	101⅛	100⅛	100⅞	100¼	101⅜	100¼	101¼
3⅝s debentures 1970	96⅞	98⅜	96½	98	96¾	99¾	98¼	100⅜	98⅝	100	98¼	100¼	96¾	99¼	95⅜	97¾	94	95⅝	92	94	92	93⅞	93½	95
4¼s debentures 1971	102	104⅝	103	104⅛	102	104⅛	103⅛	104½	103¾	105⅜	103⅞	105⅜	101¼	104⅜	99¾	102¼	98	100¼	98¼	101½	99¼	100	99	100

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Cities Service Co 3s s f deb 1977	88½	91¼	89½	91½	88	90¾	88	91½	89¼	91½	88½	91¼	89	90½	84	89⅜	83⅛	85¾	83½	84½	84⅛	86	83⅛	85½
City Ice & Fuel 2¾s 1966	—	—	—	—	—	—	—	—	—	—	—	—	90	90	—	—	—	—	—	—	—	—	—	—
Cleve Cinn Chic & St L gen 4s 1993	74⅛	75	74⅛	76	74	75	—	—	65	65⅛	67	69	67	67½	67⅝	69	69	70⅛	70⅜	70¾	72⅝	73	73	73¼
General 5s series B 1993	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ref & impt 4½s series E 1977	58⅝	65⅝	59½	62½	59½	61⅛	57¼	64½	62½	67½	64¾	67¾	62	65⅝	62¼	65	63½	70	67¾	69½	68¾	71¼	69⅛	71
Cinn Wabash & M Div 1st 4s 1991	55	56	54½	54½	52⅝	53⅜	53½	54½	52¾	55	54½	56⅞	54⅛	56½	54¼	55½	54¼	61	59	61	59¼	63	59⅝	60⅜
St Louis Div 1st coll trust 4s 1990	79	79	78½	78½	78½	78½	79	79	79	79½	81	81	78½	79¾	80	80¼	80¼	80¼	—	—	81⅜	81½	81⅜	81⅜
Cleveland Electric Ill 3s 1970	94¾	98	96¾	97¾	94	97	95⅝	98¼	97¾	99	97⅞	99¼	94¼	97¾	90⅝	95¼	88½	90½	89	91	89½	91	89¾	90½
1st mortgage 3s 1982	88⅜	88⅝	90	90	89	89	89½	89½	87	89⅝	88	88	87	87	—	—	—	—	—	—	—	—	81	81½
1st mortgage 2¾s 1985	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	76¼	76¼	—	—
1st mortgage 3⅜s 1986	—	—	96½	96½	96½	96½	—	—	—	—	—	—	—	—	—	—	90	90	88⅞	88⅞	—	—	88½	88½
1st mortgage 3s 1989	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	82½	82½	82	82	75	80½
1st mtge 3⅞s 1993	—	—	—	—	—	—	103⅜	103⅜	102¼	102⅞	102⅝	103	102	102⅜	99	100½	—	—	93	94½	—	—	91½	96
Cleveland Short Line 1st 4½s 1961	91¾	92	92⅝	94	92½	92½	91	94	93	94	93	95⅜	95¼	96	95¼	96	96⅝	97⅛	97	98½	97½	97½	97½	97½
Colorado Fuel & Iron Corp—																								
4⅞s series A conv debentures 1977	83¾	89	86¾	91¾	87⅛	90	86½	89¼	86⅞	91¾	91	93¾	91	94½	92	94⅞	93	98½	97	102¼	98	102½	100	107¾
Columbia Gas System Inc—																								
3s debentures series A 1978	88⅜	89	89	89	92	93	—	—	89½	89⅞	89¾	90⅝	89	89	—	—	—	—	82½	83	84⅛	84¾	85½	85¾
3s debentures series B 1975	—	—	89½	90	—	—	89	90	91½	91½	90½	91¼	85¼	85¼	—	—	—	—	82½	83	84¾	85	85½	85½
3⅜s series C 1977	91	92½	94½	94½	90¼	90¼	90¼	92⅝	94½	94½	95	96½	96½	96½	—	—	85	88	85½	88	88	88¾	89⅛	91½
3½s debentures series D 1979	99	99	97	97	—	—	93½	96	93½	94	93⅞	95	94½	95	94½	94½	88½	90½	85¾	88½	86½	89½	89	90
3⅝s debentures series E 1980	—	—	98	98	95½	95½	—	—	94¼	94¼	97	97½	—	—	—	—	—	—	87	87	88	90	90⅜	90¾
3⅞s debentures series F 1981	95¼	96	98	99	95	97½	97½	98⅜	98	100	98	99¾	97⅛	99⅜	—	—	90¼	90½	90½	92	—	—	91¾	92
4¾s debentures series G 1981	104¼	104¼	103½	104½	102½	104	104	105½	105¾	106¼	105¾	106	102½	105¾	101½	103¼	100⅝	102½	100	102⅛	100	103	100½	102
5½s debentures series H 1982	106⅞	108	106½	107½	106⅛	107⅛	106½	108	107¼	108½	107	108¼	107	108½	105⅛	108½	105½	107	106½	107	106	108	106⅜	107
5s debentures series I 1982	104	105¾	105⅛	106¼	105	106⅞	104½	106	104¾	105¾	104¾	105⅜	103½	106	103½	104⅛	99¾	103	102½	103⅞	102¾	103⅞	103⅛	104⅝
4⅜s deb series J 1983	—	—	—	—	—	—	102	102⅞	101½	103	102¼	103⅞	101⅛	103⅛	98½	102	97	98⅝	95⅞	97½	97	98	97⅛	98½
4⅞s debentures series K 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	101¼	102⅛
3½s convertible debentures 1964	119	125¼	124	124½	124½	127⅛	130	136	138½	140⅝	141	145½	141¾	147½	142	146¼	146	152⅝	150	154½	150½	156	153	164
Columbus & Southern Ohio																								
Electric Co 1st mtge 3¼s 1970	93	96½	—	—	96	96½	96½	96¾	96	98¼	98	100½	93⅞	94	92¾	92¾	93	93	93	93½	90	90⅛	90⅛	90¼
1st mortgage 3⅝s 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3¾s 1986	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 4½s 1987	101	101	104	104¼	104¼	104¼	—	—	—	—	—	—	—	—	—	—	100	100¼	100	100	97	99	100	100
Combustion Engineering Inc—																								
3⅜s conv subord debentures 1981	91⅞	100	98	101	98⅞	100½	98½	102¼	99¼	102½	99	101½	97	100⅜	99¾	105⅜	102½	104⅝	102	105	102	105	105	116
Commonwealth Edison																								
1st mortgage 3s series L 1977	93⅝	95¾	93⅛	94¾	90⅞	93½	92⅛	96⅜	94	97¼	93¾	95	90½	94	90	91½	89	90¼	86	89½	86⅛	87¼	84½	88
1st mortgage 3s series N 1978	—	—	90	91¼	90	90	—	—	—	—	—	—	—	—	—	—	—	—	86½	87⅛	85½	85½	84¾	85½
3s sinking fund debentures 1999	88	88	—	—	90	90	90	90	88⅞	89	89½	89½	—	—	—	—	—	—	79	79	81⅛	81⅛	81⅛	81⅛
2¾s sinking fund debentures 1999	—	—	—	—	82	84½	84	84	85	85½	86	86	82⅞	83	—	—	—	—	—	—	—	—	—	—
2⅞s sinking fund debentures 2001	80¾	87	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Consolidated Edison (N Y)—																								
1st & ref mtge 2¾s series A 1982	84¾	88¼	84	86½	84⅛	85⅞	84½	86	85	86¾	83⅝	87⅜	82	84½	77⅞	82¾	77⅞	77⅞	77	81¼	78⅜	79½	77	79
1st & ref mtge 2⅝s series B 1977	87	87	87	88	87¼	87¼	84½	87⅞	86	88	86½	88½	88	88	86½	86½	77	80	76	78	78	80	—	—
1st & ref mtge 2¾s series C 1972	91⅞	92½	92	92	90⅛	92	90	92½	91	93	93	94	91¼	92½	85	88⅜	82	84⅞	83¼	85⅝	84¾	86¼	83¾	86
1st & ref mtge 3s series D 1972	92½	94½	93½	94¼	92	93½	94⅛	97	95¾	98	95	96	89⅝	95¾	86	91	85⅞	87	87	88	87⅛	88½	87¾	89½
1st & ref mtge 3s series E 1979	90½	92	92	92	92½	92½	—	—	92⅛	92⅛	90	92⅛	90	90	—	—	86	86	82	83⅝	83⅝	85	82½	85
1st & ref mtge 3s series F 1981	91⅞	91⅞	90⅛	90⅛	88⅛	89½	88⅛	91½	91⅜	91⅜	91	92	—	—	—	—	—	—	83⅞	83⅞	83⅞	83⅞	82¾	82¾
1st & ref mtge 3¼s series G 1981	94½	95¾	94⅞	96½	93¼	94¼	94½	95	94	96⅛	94¾	96⅛	93	94¾	91	91	86	86	84½	86	86	88½	87	87½
1st & ref mtge 3⅜s series H 1982	95	97½	97	97	95	96	96	97	94½	95¾	94¾	95¼	92½	92½	—	—	85¼	86	85½	88	88	89¾	85½	88⅝
1st & ref mtge 3½s series I 1983	93⅞	99	—	—	98	98	—	—	—	—	96	96	93½	95½	92⅞	93	89¼	90⅛	90¼	91¼	90¼	90¼	89½	90¾
1st & ref mtge 3⅜s series J 1984	94¾	96½	96	96½	96	96	94	96¼	—	—	92⅛	92⅛	92¼	92¼	92½	92½	87	87	83	85	87	87½	88	88
1st & ref 3⅜s series K 1985	95	96⅞	94½	96¾	93½	95	95	96	96	96½	96	96	—	—	91	91	86½	89	85¾	87	86	89½	86	88⅝
1st & ref 3⅝s series L 1986	99	100⅛	99	100	98⅜	99	99⅛	101	99¾	101	99½	100⅞	98½	100	98½	98½	—	—	88	88⅛	90	90⅛	90	91
1st & ref 4¼s ser M 1986	106¼	107	105	106½	104½	105¼	105	107	106¾	107½	105¼	107⅛	104½	107	101	104⅞	99	102¾	99¼	102	100	102½	100	102½
1st & ref 5s series N 1987	109	110½	109¾	110¾	109¼	110½	109¾	110¾	109⅝	111¼	110¾	111¼	108½	111½	107	108⅛	105⅛	108	106⅛	108	108	108¾	107	110
1st & ref mortgage 4s ser O 1988	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	95¾	97
3s convertible debentures 1963	186½	187½	—	—	194	194	203¼	203¼	—	—	219	219	217⅝	219	—	—	—	—	217¼	228	—	—	230	230¼
4½s convertible debentures 1972	109¾	115¾	113¼	115	113½	117¼	114⅛	122½	116⅝	120¾	119⅜	121	118½	121¼	113¾	120	115½	119¼	—	—	—	—	—	—
Called bonds (June 4)	—	—	—	—	—	—	—	—	114⅛	120	119	119⅝	—	—	—	—	—	—	—	—	—	—	—	—
Consolidated G E L & P (Balt)—																								
1st ref mtge 2⅞s series T 1976	92	92	92	92	90	90	88½	88½	88½	91	91	91¾	91½	91½	—	—	—	—	—	—	—	—	—	—
1st ref mtge 2⅞s series U 1981	—	—	—	—	87	87	88	88½	87	87	87	90	88	88	—	—	82	82	82½	82½	82	83	82½	83½
1st ref mtge 2¾s series X 1986	—	—	—	—	—	—	—	—	83	83	84¾	84¾	81	81	—	—	—	—	—	—	77½	80	—	—
Consolidated Nat Gas 2¾s debs 1968	93½	93½	91	91½	92	93½	—	—	94⅛	94½	96	96	95	96	94½	95	—	—	89	90	89¾	89¾	89¼	89⅜
3¼s debentures 1976	92¼	95	95	97	95	96½	94½	96¾	96	96	96¼	96¼	94½	96¼	—	—	89	89	90	99	93½	93½	91	93½
3⅛s debentures 1979	—	—	—	—	—	—	90	93	93⅛	94	—	—	—	—	—	—	—	—	—	—	84	84	—	—
3s debentures 1978	—	—	94	94	—	—	—	—	92¾	94	94	94	—	—	—	—	—	—	84	84	87½	87½	—	—
4⅞s debentures 1982	105½	108¼	106	108	105½	106	105½	107¼	107	107	106½	106¾	105¾	107¼	104½	105¼	—	—	—	—	105½	106¼	104	105½
5s debentures 1982	107⅞	108¾	108	108⅝	107	107⅝	106⅝	107¾	106¾	107⅞	106¾	108	105	107½	104⅛	105⅝	104⅛	107¾	105¾	107⅝	106	106¾	106	107
4⅝s debentures 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	100	101⅛	100¼	102¼	101½	102½	100¾	101¾
Consolidated RR Cuba—																								
3s cum inc debs (stamped as to payment in U S dollars) 2001	15⅞	17⅜	14¼	16⅝	13¼	15¼	13	13¾	13⅜	15¼	13½	15½	13¼	14	13¼	14½	13	14	11½	13⅝	12	13	11⅛	12¾
Consumers Power 2⅞s 1975	91½	92½	90	92½	89	90½	90	92¾	91⅜	92⅞	90¼	93	90	92	84	88	81½	82½	82⅛	84½	84¼	85½	83¾	85
1st mortgage 4¾s 1987	107⅞	109⅛	108	108⅞	107¼	108½	108	109¼	108¼	109½	108½	109¼	104⅞	108¾	105	107	103	106	102	105⅞	103¾	105¼	104⅜	105½
4⅝s convertible debentures 1972	109⅜	114½	114	116½	115¾	119	117¾	121½	114⅞	119½	114¼	119¾	112¾	115¼	110½	116¾	112	117	117	121½	116½	120½	118¼	121¾
1st mtge 4½s 1988	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	106	106¼	104	105⅝
Continental Baking 3s debentures 1965	92⅛	92⅛	93⅛	94	94⅛	97	95	97	95¾	97	97	97	97	97½	95¾	97½	94	94	90	90⅜	92	93	88	91
3⅝s convertible debentures 1980	89½	100	97½	100	97	105	101½	109	107¾	112	109	113	109	114¾	109	111¾	110⅝	119¾	—	—	—	—	—	—
Continental Can Co 3⅜s debs 1976	96	96	—	—	96	96	96	96⅝	96	96	96	96	96½	97¼	—	—	—	—	—	—	94¾	94¾	86	88¾
Continental Oil 3s debentures 1984	90⅛	92⅜	91	91	90	91½	90	91	90¾	92	91⅛	92½	92	92	90	92	85	86	84	85	85	87	85	88½
Corn Products Co 4⅝s 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	99¾	104¼	103¾	106¼	104	106¼
Crane Co sinking fund 3⅛s debs 1977	92	92	—	—	92⅜	95	—	—	94	94	—	—	94	94	93½	93½	92	92	—	—	87	87½	—	—
Crucible Steel 1st mortgage 3⅛s 1966	86¼	86½	87½	87⅝	87	87	87¼	87¼	87¼	87¼	87½	87½	—	—	—	—	—	—	89	89	89¼	89¼	89¼	90
Cuba Northern Ry—																								
1st mortgage 4s (1942 series) 1970	36¼	37	36½	36⅞	35¾	36¾	34½	35½	34½	37	32¾	34¼	32¼	35	31	32¾	32	35	31½	33½	32	33	23¼	30
Cuba Railroad—																								
1st mortgage 4s June 30 1970	28¾	29½	28⅝	29¼	28	28¼	27¼	28	—	—	27	28¾	x23½	25½	22	23¼	22	24	21	24½	22	22⅜	19⅛	21½
Improvement & equipment 4s 1970	36⅛	36⅛	36	36	35	35⅛	34½	34½	—	—	32	33½	30½	31½	30	31	—	—	29½	29½	26	27½	25	25
1st & refunding 4s series A 1970	36½	36½	36¼	37	36¼	36⅜	34½	34½	34½	36	33	35¼	32¼	34	29½	31	—	—	—	—	30	30	22	30
1st & refunding 4s series B 1970	36½	36½	—	—	36¼	36¼	—	—	—	—	34	34¼	32	32	29½	29½	—	—	—	—	29⅝	29⅝	22	22
Curtis Publishing Co 6s sub inc debs 1986	93½	97½	99	100⅛	97½	99	93	98	96	100	97⅛	98½	98½	101	98½	100	99⅞	100¾	97	x100	99	101	100	102
D																								
Daystrom Inc 4¾s subord debs 1977	107⅛	112½	106½	109¾	107¾	110⅞	109¾	111½	111	114	113	115	110¾	114½	113¼	114½	113¼	121½	116	119	112	123	120	125
Dayton Power & Light 2¾s 1975	88⅝	88⅝	89	89½	87¾	88⅞	88⅜	89	88½	88¾	—	—	86¾	89⅞	—	—	—	—	79¾	81¼	82⅛	84	80⅛	83
1st mortgage 3s 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3s series A 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3¼s 1982	—	—	—	—	—	—	—	—	—	—	—	—	88	88	—	—	—	—	—	—	—	—	—	—
1st mortgage 3s 1984	88	89½	90¾	90¾	89	89	92	92	—	—	—	—	89	89	—	—	—	—	—	—	—	—	84	84
1st mtge 5s 1987	106	107	106	106½	105½	106¼	106	107½	106¼	107½	105¾	106⅜	105	106½	105	106½	104½	105⅞	104	105¾	105½	105½	106½	106½
Dayton Union Ry 3¼s series B 1965	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deere & Co 2¾s debentures 1965	95¼	95⅜	97	97	94	96	93½	93½	95¼	95¼	96⅛	98	98½	98¾	98½	98½	92	92	87¾	88	90	91	92⅛	93
3⅛s debentures 1977	92	92	92	92	91¼	91½	91¼	94½	93	93	93⅛	94½	93⅛	95	—	—	87	89	89	89	89¼	90¼	90¼	92½
4½s subord debs 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	99⅜	100¾	94½	99⅝	96	98	98	99⅛	98	99½
Delaware & Hudson 4s 1963	96	98	97	98¼	96	98⅝	96⅛	98½	97	98½	96⅞	98¾	97⅝	99⅛	99⅜	100¾	96½	97	96⅞	97⅛	95¾	97¾	95⅞	99
Delaware Lack & West RR Co—																								
N Y Lack & Western Div—																								
1st & ref mtge 5s series C 1973	—	—	—	—	—	—	64⅞	65	67	67	67	69⅛	68	72	67¾	68½	68½	69	69⅜	70½	70	70	68	70
Income mortgage due 1993	49	49	51	51	48	48	48	48	37½	40	37⅞	42	42	42½	44	45	45	47	46½	47½	49½	50½	50	51
Morris & Essex Division—																								
Collateral trust 4-6s May 1 2042	60¼	64½	60	64	61	61	60	62¼	x54	60	54	57½	54¼	62½	55½	56	54	59	57	60	59¾	63¾	57	61
Pennsylvania Division—																								
1st mtge & coll tr 5s ser A 1985	56	61½	64	64	60	60	60	60	53	55	55	56	56½	57	58	59	55½	62	59	63	61½	62	60	62½
1st mtge & coll tr 4½s ser B 1985	53	53½	55	55	—	—	53½	57	53½	53½	53½	55	53	53	54	56	55	56	55	58	57	60	—	—
Delaware Power & Light 3s 1973	88	91	91	91	—	—	—	—	91	93	93½	93½	94	94	—	—	82	82	83⅛	84½	83¾	84½	83¾	84⅝
1st mtge & coll trust 3⅛s 1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge & coll trust 2⅞s 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge & coll trust 2¾s 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge & coll trust 3¼s 1984	—a	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	79	79	—	—
1st mtge & coll trust 3½s 1985	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge coll tr 3⅞s 1988	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st & ref mtge coll tr 3⅛s 1984	—	—	—	—	—	—	—	—	—	—	—	—	—	—	94¼	94¼	92	92¾	91¾	94⅝	94	95	93⅝	94⅜
1st mortgage & coll tr 5s 1987	106⅛	106⅞	106	106⅞	—	—	107	107	106	107	106¾	106¾	—	—	—	—	—	—	—	—	—	—	82½	82½
Denver & Rio Grande Western—																								
1st mtge series A (3% fixed 1% contingent interest) 1993	95	97½	96	96	91½	94¾	92¼	93⅛	93⅛	94½	94½	95	93½	95	85½	85½	85⅛	87½	85¾	88⅛	88	93	90	91
Income mtge series A (4½% contingent interest) 2018	84	87½	86⅞	87⅛	84	85	85¼	86	85⅝	90	90½	92½	86¾	90	86¾	89	89	90¼	86	88⅛	87	89½	88½	89¾
Denver & Salt Lake—																								
Income mtge (3% fixed 1% contingent interest) 1993	93	95½	94½	94½	91	93	89	93	92½	93½	93	94½	—	—	93	93	83	83⅛	85¾	87	90	90	90	90½

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Detroit Edison Co—																								
General & ref 3s series H 1970	95	97	95½	97¼	96	96½	96¼	97¼	96⅛	98⅛	96½	98⅛	95	96¾	89¾	95¾	89	91¼	89	91	89¾	91	89½	91
General & ref 2¾s series I 1982	86½	86⅝	85	86⅜	84¾	86½	84	86½	85	85	83½	85⅛	83½	84	83⅜	84	75	83	77½	77½	77½	78	77¼	78
General & ref 2¾s series J 1985	85½	86	84¾	84¾	84½	84½	84½	86	—	—	—	—	86	86	—	—	—	—	76¼	77	—	—	—	—
General & ref 3⅜s series K 1976	90	97	96	96	92½	92½	—	—	—	—	93	95	94	94	92¾	94½	—	—	89½	92¾	90	90	87¼	90
3s convertible debentures 1958	—	—	193	193	195	197½	195	195	195	195	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¾s convertible debentures 1969	152½	152½	—	—	157½	159½	155⅛	155⅛	155	156	157	157	158	158	—	—	156½	156½	156¾	157	—	—	164	164
3¾s debs conv from Oct 1 1958	117¾	122½	120½	123	123	126	121¾	124	122	124⅞	124½	129¼	126	128	125¾	127⅝	126⅛	129⅜	127⅝	129½	129	135⅜	133¼	137⅛
General & ref 2⅞s series N 1984	86½	88½	87½	87½	—	—	87½	87⅛	87½	87½	86⅞	86⅞	—	—	—	—	77¾	78	78	78	78	78⅛	79	80
Gen & ref. 3¼s series O 1980	92	92⅛	92⅛	92⅜	92⅜	93¾	94	94⅛	95	95⅛	93	94¾	95¼	96⅛	94	95	82½	88	83⅛	83⅛	87¼	87¼	83⅜	87⅝
Detroit & Mackinac 1st lien g 4s 1995	60	60	—	—	60	60	62	62	62½	62½	62½	62⅛	63⅛	63⅛	—	—	64	64	—	—	—	—	64	64⅛
Second gold 4s 1995	—	—	—	—	—	—	61½	61⅞	62	62	61	62⅛	62⅜	62⅜	—	—	—	—	62½	62½	—	—	—	—
Detroit Term & Tunnel 1st 4½s 1961	97½	99½	97	99	98	99	97½	99¼	98	98¾	97⅛	98¾	99	100½	97¼	100½	96½	98	97	99	95⅛	98	96⅜	98½
Detroit Tol & Ironton 2¾s B 1976	—	—	—	—	—	—	76	76	—	—	—	—	—	—	—	—	—	—	—	—	75	75	—	—
Diamond Gardner 4s 1983	—	—	—	—	—	—	97½	97½	99¾	103¼	100	102¾	98¾	101¾	97	100¼	98¾	99⅞	99⅜	101⅜	97⅜	97⅜	96¼	97½
Douglas Aircraft Co—																								
4s conv subord debentures 1977	96¼	99¾	95¼	99¼	93⅜	96	90½	97½	94¾	96	95	96½	94½	97	93¼	95⅞	92⅛	95	94	97	94	97⅛	92½	97
5s sink fund debs 1978	—	—	—	—	—	—	—	97½	99¾	103¼	100	102¾	98¾	101¾	97	100¼	98¾	99⅞	99⅜	101⅜	99½	100¾	99½	101½
Dow Chemical Co 2.35s debs 1961	95⅛	95¾	95⅝	97	96⅞	97	97½	99¼	98⅛	98½	98	98⅝	98	98½	97¼	98¼	95	96	95⅛	96¼	95¼	96	94	95½
3s conv subord debs 1982	119	130½	122½	133	125½	131	119	130	124	129¾	122¾	128½	125	141⅝	139¼	151½	143	151¾	144	159	157	171¾	159¾	174¼
Dresser Industries Inc—																								
4⅛s conv subord debentures 1977	103½	105½	100¼	105¾	100½	103¼	100¼	106	103	105	103½	108	106	108⅛	104¾	107½	101	108¼	105	111	105	107¾	106	110⅜
Duquesne Light 1st mtge 2¾s 1977	89⅜	89⅜	89½	89⅝	86	89½	86⅜	90¼	88½	90¼	89	90¼	87½	90¾	79	85	80¼	81	79⅞	82½	81½	83½	81¾	82½
1st mortgage 2⅝s 1979	—	—	—	—	—	—	85½	85½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 2¾s 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3¼s 1982	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅝s 1983	94⅝	94⅝	97½	97½	95	95	—	—	—	—	—	—	97	97	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅛s 1984	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3½s 1986	95	95	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge 3¾s 1988	—	—	—	—	—	—	—	—	—	—	99	100	96¾	99½	92	97	91	92	91⅛	92¾	92⅞	93	91½	94½
E																								
Eastern Gas & Fuel Associates—																								
1st mortgage & coll tr 3½s 1965	90⅛	91½	91½	92	92	92	93	93⅝	94	94⅛	94½	95⅛	95	97	93½	94	93½	93⅝	92½	93	92½	94	93	93
Eastern Stainless Steel Corp—																								
5s conv subord debs 1973	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	116½	125	119⅞	125¼	121	127½
Edison Elec Ill (N Y) 1st 5s 1995	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	104	112	110	110	—	—	—	—
Elgin Joliet & Eastern Ry 3¼s 1970	89	89½	—	—	87⅛	89½	87⅛	87⅛	87⅛	87⅛	—	—	88¾	90	—	—	—	—	—	—	90⅛	90⅛	90½	90½
El Paso & S W 1st & ref 5s 1965	100¾	101¾	102⅛	105	100	103	99¾	103	101	101	101	104	101	103	101¾	103¼	101¾	103⅛	100⅝	101¾	101	101¾	101	101
1st refunding 5s stamped 1965	100¾	100¾	102	102	—	—	100	100	100⅛	100¼	103	103	102¼	103	—	—	102¼	102¼	100¼	101¾	101¾	101¾	100½	101¾
Energy Supply Schwaben Inc—																								
5¼s debt adjustment 1973	88⅞	88⅞	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Erie RR Co—																								
General mtge inc 4½s series A 2015	46	53⅛	50½	53	45⅝	51	44⅛	50	45½	48⅛	46	49½	45½	47½	45⅝	48¼	47⅛	55	51¾	54½	52½	54¼	52½	55
1st cons mtge 3¼s series E 1964	85	85	84	84	—	—	—	—	80	80	—	—	—	—	—	—	—	—	80	80	80	81	83⅜	83⅜
1st cons mtge 3⅛s series F 1990	65	65	—	—	64	64	64	64⅛	63	64	63	65	60	64	60	60	59½	60	—	—	60	60	60	60
1st cons mtge 3⅛s series G 2000	—	—	65	65	64	64	64	64	64	64	63	63½	63	63⅛	61	61	61	61	61	61	61	61	61	61
5s income debentures Jan 1 2020	44½	54	45½	54	45⅛	49	41¾	48⅝	43	47	43½	47⅜	44⅛	48	47⅛	49¼	48⅜	57¼	51¼	54½	53⅛	55⅜	51	54⅞
Ohio Division 3¼s 1971	—	—	—	—	—	—	—	—	—	—	—	—	87¼	87¼	—	—	—	—	—	—	—	—	—	—
F																								
Fansteel Metallurgical Corp—																								
4¾s conv subord debentures 1976	116	121	116	121	112½	120	112¾	118	116	118¾	117½	118¼	118	122½	118	122½	115½	118	119	125	116½	124	121	125
Firestone Tire & Rubber 3s 1961	98⅛	99½	98¾	100¼	98¾	100⅜	99	100⅞	100½	101¾	100	101⅜	98¾	101¼	99⅝	100½	96¼	99½	97½	98½	97⅝	98½	98¼	98⅞
2⅝s debentures 1972	90¾	90¾	—	—	90¾	90¾	91	91	89½	89½	—	—	—	—	89½	89½	80	80	80	80	80	81	81	81
3¼s debentures 1977	92⅛	94¾	95¼	96½	95	96½	96¼	97	95¼	96¼	95½	97	95½	98	93½	95½	88⅝	91	88¼	89	88⅜	90	88½	88¾
Florida East Coast 1st 4½s 1959	100	100	99½	100	99¾	99¾	99¾	99¾	99¾	99¾	100	100 31/32	100 31/32	100 31/32	100⅜	100⅜	100	100	100	100	100	100	100	100
1st & refunding 5s series A 1974	80½	87½	80½	89½	80¾	86	82½	108	86¾	91	92½	108½	106¾	122	111	124	118	122¾	112⅝	119	110¼	121	110½	115
Foremost Dairies Inc—																								
4½s subordinated debentures 1980	92¾	93½	93⅝	95½	94	95½	94¾	96⅝	97⅝	100	99¼	99½	96	96½	96	96⅝	94½	96	92⅞	93	—	—	90	94
Fort Worth & Denver Ry—																								
1st mortgage 4⅜s 1982	—	—	—	—	—	—	91½	91½	92½	92½	93½	93½	—	—	92	92½	—	—	—	—	—	—	—	—
G																								
Gardner-Denver Co—																								
4¼s conv subord debentures 1976	106½	109¼	107	109⅛	106½	110½	108⅝	110¾	108½	111⅞	111¾	114½	113¼	117	114	117½	114	120⅝	120¼	134	126	135½	131	137
Garrett Corp 4⅞s conv debs 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	102⅛	105¾	105	109½	108	114¼
General American Transport—																								
4s conv subord debentures 1981	106	108½	108	109	108½	110½	109½	112½	111¼	114½	114½	117	114	124	116½	125¼	120½	125	124	134	133	144¾	136¾	155
General Cigar Co Inc—																								
5½s inc subord debentures 1987	89	96¼	94½	96	94⅛	96½	95½	97½	96½	100	97½	99	97½	98¾	98½	99¼	99	100	99¾	101	100	101⅞	99⅛	102
General Dynamics Corp—																								
3½s convertible debentures 1975	118½	132½	121	r126½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Gen Electric Co 3½s debs 1976	99⅛	100⅜	98⅜	100	98½	99¾	99	101½	99¼	100⅜	98¾	100¼	97½	99½	93¼	98	92½	94¾	93⅜	95½	94	95⅛	94⅛	95¼
General Foods Corp 3⅜s deb 1976	97½	100¾	97	97½	97½	99½	98	99	98½	99½	98	99½	97½	99½	93	98⅜	94	94½	92½	92½	90½	92½	90⅝	93
General Motors Acceptance Corp—																								
4s debentures 1958	100	100 5/16	100 1/32	100 5/16	100 5/32	100 13/32	100 1/32	100 5/16	100	100 1/16	99⅞	100	—	—	—	—	—	—	—	—	—	—	—	—
3s debentures 1960	97¾	99⅜	99¼	100¼	99⅞	100⅝	100	101½	100¼	102	100⅛	101¾	100	101¾	98⅜	101	98⅛	99½	98⅛	99¼	98⅜	99⅛	98½	99½
3⅞s debentures 1961	100	100⅞	100¾	101½	101	101⅞	101⅝	103⅜	101	102⅞	101⅛	103⅜	101½	103½	100⅜	102¼	97⅞	100⅜	99⅛	100	99¼	100¼	98⅝	100½
2¾s debentures 1964	92½	94⅜	94⅛	95½	94	95⅝	95¼	97¾	97½	98½	97⅛	98⅞	96⅛	98⅞	93	96	89¾	93½	91	93½	92¼	93⅛	92⅝	93½
3s debentures 1969	91¾	93½	91¼	94½	94	96	94⅛	95¾	95	97½	96¼	97⅝	94	97⅜	91½	95⅜	87	93	87⅜	89½	87¾	89¾	88¾	90¾
3½s debentures 1972	96	97½	95¾	97½	95	97½	97	98⅞	97¾	99¼	96¼	98¾	95¼	98⅞	91½	96¼	89½	91¾	89¼	91⅞	90¾	93⅛	89½	92⅞
3⅝s debentures 1975	96½	97¾	95	97½	95½	97⅛	96½	99	98¼	99	95⅞	99½	94⅛	99¼	92¼	96¼	90	91½	89	92	91¼	93½	90¼	92½
5s debentures 1977	110	111½	108	110¾	107½	110½	109¾	111¼	110⅜	112	110⅛	112	107	111	105	107⅞	105⅝	106½	105⅛	108⅜	107⅛	108¼	107	108¼
4s debentures 1979	—	—	—	—	97⅞	99	98½	101⅛	99¾	102	99½	102⅛	98½	101½	96	99¾	92⅞	96½	92½	97¼	96⅛	96¾	95¼	96¾
General Motors Corp 3¼s 1979	95½	98	95⅝	97½	95⅞	97⅛	96	97½	96⅜	98	95¾	98	95	96⅞	89⅝	95½	90	91½	90⅞	93	91¼	92¼	90½	91¾
General Realty & Utilities Corp—																								
4s conv income debentures 1969	89½	91½	—	—	95	95½	93½	93½	—	—	—	—	—	—	95½	95½	—	—	96	96	—	—	96¼	96¼
General Shoe 3.30s debs 1980	91¼	91¼	90½	90½	—	—	—	—	91	91	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Gen Telephone Corp 4s conv debs 1971	100¼	104¼	102½	104¼	102½	104½	103½	106¾	105¾	108	108	111⅝	108½	111½	104	109¼	106½	109½	106¼	112½	112	123½	116¾	130½
4½s convertible debentures 1977	106	107½	106¼	107½	106½	107¾	107½	112	109¾	112½	111⅜	114	112½	115	109	114¼	111¼	114⅜	112¾	117	117½	129	122¼	138
General Tire & Rubber Co—																								
4¾s subordinated debentures 1981	—	—	87	89	—	—	91	91	—	—	95	95	93	93	—	—	—	—	92½	93	93	93	—	—
Glidden Co 4¾s debs 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	103	103¾	102¾	103½
Good Hope Steel & Iron Works—																								
7s sinking fund mortgage 1945	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Goodrich (B F) Co 2¾s 1965	95⅝	95¾	95	96⅛	95	97	96¾	98½	96⅞	98½	96⅞	98	97¼	97¾	97	97⅝	91⅝	91⅝	91¾	93	92⅝	93⅜	92⅝	93
Grace (W. R) & Co—																								
3½s conv subord debentures 1975	89	98	94½	99½	95¼	96¾	94	101	99¼	102	98½	101½	100¼	103	101	103¾	94	101	94¼	99	95	98⅞	95	101¾
Grand Union Co 3½s conv deb 1969	—	—	—	—	—	—	—	—	202	202	213	215	—	—	—	—	—	—	—	—	—	—	—	—
4⅛s conv subord debs 1978	—	—	—	—	—	—	—	—	—	—	—	—	117	117¾	114¾	118	115½	120	118½	124½	122	127½	124¾	129½
Great Northern—																								
General 5s series C 1973	102⅞	103½	103⅝	105⅛	104½	105	104⅝	104⅝	104⅝	105¼	105⅛	108	105½	106⅛	104½	105	103	103¼	100¾	105½	101	103	102¾	103¼
General 4½s series D 1976	100⅛	102⅝	102⅛	103½	100	102½	100½	102⅛	102⅛	102½	102¾	104	102	103	102⅛	102¼	100	102⅛	99⅜	100½	99	100¼	99½	101
General mtge 3⅛s series N 1990	73⅛	76	76½	77	74	76½	74	75	74⅞	75½	76	78	77	77½	76½	78	75	76½	75⅜	75⅝	76⅛	76½	76	77
General mtge 3⅛s series O 2000	73	75⅛	75⅛	75½	75	75⅝	75	75	74½	75	75½	76	75	75	76	76	—	—	75⅛	75⅛	75⅛	73¾	75¼	76
General mtge 2¾s series P 1982	76	77	75⅛	76	76	76	73½	75½	74¼	75½	75	75⅝	75½	76¼	74	75½	74	74	—	—	—	—	68	72
General mtge 2⅝s series Q 2010	64	64	64½	64½	64	65½	64½	64½	64½	65	64½	66¾	65¼	65½	63	65¼	58	58	58½	60	59¼	59¼	59½	60
General mtge 2¼s series R 1961	94½	94½	93¾	94¾	94	94	97¾	97¾	96	96½	96	97	97½	98	97½	97½	—	—	94½	95½	95¼	96¼	95¾	96
Green Bay & Western deb ctfs A	—	—	—	—	—	—	—	—	—	—	68	68	—	—	—	—	—	—	—	—	—	—	—	—
Debenture certificates B	15	16¼	14⅞	16½	14¼	15	14½	15	15	15¾	16¼	18½	17½	19	18¼	19	18¼	19½	18	22½	18½	19	18⅞	19¾
Gulf Mobile & Ohio 5s series A 2015	72¼	72¼	74¼	74½	73	74	73½	76	74	75	74	76	74¾	74⅞	—	—	72	76¼	76	77	76½	77½	77½	80
General mtge inc 4s series B 2044	54	57	58	60	57¼	59¾	56	58⅛	55	57	55½	57⅛	57	58½	58	61	59	62	60¼	62½	61¼	64½	62⅛	63⅞
1st & ref 3⅜s G 1980	—	—	86½	86½	86½	87½	—	—	—	—	85	85	—	—	—	—	82½	82½	82	82	83	83	83¼	83⅞
5s income deb series A 2056	55	55	55	55½	52	56	55½	61	60½	61½	x60¼	61¾	60	63	63	68	64½	67½	66	70	70⅛	74	71½	74½
Gulf States Utilities 2⅝s 1976	83	84¼	—	—	—	—	—	—	—	—	—	—	84	84	—	—	—	—	—	—	—	—	—	—
1st mortgage 3s 1978	91½	91½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3s debentures 1969	91⅜	93¾	—	—	—	—	94	94	—	—	92	92	92	92	—	—	—	—	—	—	90⅝	90⅝	90½	90⅝
1st mortgage 2¾s 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 2¾s 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅜s 1981	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	80	80
1st mortgage 3¼s 1982	—	—	—	—	89¼	91¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅜s 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
H																								
Hackensack Water 2⅞s 1976	—	—	85	85	—	—	—	—	85¼	85¼	85¼	85¼	—	—	—	—	75½	75½	—	—	—	—	75⅛	75⅛
Harpen Mining Corp 6s 1949	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4½s debt adjustment 1970	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	93	93	—	—	—	—	—	—
Hertz Corp 4s conv subord debs 1970	145½	163	168	170½	165	165	144	144	150½	150½	—	—	142½	142½	145⅛	149	144	150	156	163	167½	165	167	215
High Authority of the European Coal & Steel Community—																								
5½s secured 7th series 1975	100½	102	100¾	103¼	102¾	105¼	104⅝	105¾	103¾	105¾	103	105¾	103	104	103¾	104⅝	104	104¾	104¼	108¼	104	107½	103	109
5s sec (11th series) 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	97	98	97¼	98¼	97½	99	98⅜	99¾	99	102¼
Hocking Valley 1st cons 4½s 1999	105	105	105	105	105	105	105	105¼	107⅛	110	107⅛	107¼	107⅛	107⅜	103½	106½	100½	101½	100	100	100	100	100	100
Household Finance Corp 2¾s 1970	85½	88¼	88½	91	89	93	90	91	90	91	92⅞	93	90	90½	90	90½	88	88	88	88	88	88¼	88	88
3⅞s debentures 1958	99⅝	100 7/16	99⅞	100 3/16	100	100¼	100 3/32	100¼	100⅛	100¼	100 3/32	100¼	99 13/16	100	99⅞	99 31/32	—	—	—	—	—	—	—	—
4⅛s debentures 1968	—	—	—	—	—	—	100	100	102	102	—	—	100¼	101	100	100	99½	99½	95½	100	98	98¾	97	98
4s sinking fund debentures 1978	100½	101⅞	99¾	102	99	101¼	100¼	103⅜	102⅜	103⅜	101	103	100⅜	101½	97	100⅛	95½	99½	95	96¾	96¼	98	97	98
4⅝s s f debentures 1977	105	107	106	106½	105	106½	105	105¼	107	107	107	107	105⅞	105⅞	102	105	99½	101½	98¼	101¼	101½	102⅜	101½	102¼
5s debentures 1982	108¾	109	108	108⅛	109	109¼	110	110	110½	110½	109½	110⅞	109⅝	109⅝	106½	108	105¾	105¾	103	104½	106⅜	106½	104	106½

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Hudson & Manhattan 1st & ref 5s 1957	37½	45	43½	45¼	44½	48¾	45½	47	45	47	46⅛	49⅜	48½	54	52¾	55⅞	46½	51½	47¼	51⅞	50¾	54	51⅛	54½
Adjustment income 5s 1957	12¼	18	15	17¼	15	16¾	15	16	14¾	16	15	16⅞	16	21	17⅞	21½	20½	25½	20½	22¾	19	23½	18	23⅜
I																								
Illinois Bell Telep 2¾s series A 1981	86½	88¾	85	88	85⅛	86⅞	85¼	88⅝	86	87½	85	86¾	82¼	85	76½	82	76½	77⅞	77⅛	78⅞	78⅜	80½	77	81
1st mortgage 3s series B 1978	91	92	93	93½	90	93½	90¼	93¾	—	—	91	91	85½	89¾	85	88	84	86	83½	84¼	83¾	83¾	85¼	85¼
Illinois Central—																								
4⅜s-3¾s series A 1979	—	—	—	—	—	—	86½	86½	85¾	85¾	87	87	87	87	—	—	87	87	86	86	86⅞	86⅞	—	—
5⅜s-3¾s series B 1979	—	—	—	—	—	—	—	—	85½	85½	87⅛	87½	—	—	—	—	—	—	—	—	—	—	—	—
3¾s series C 1974	90	90	—	—	—	—	—	—	—	—	—	—	90	90	—	—	—	—	—	—	—	—	—	—
Cons mortgage 3¾s series F 1984	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3¼s series G 1980	—	—	79	79	80	80¼	80	80	—	—	—	—	—	—	—	—	77½	77½	—	—	77	77	78⅛	78⅛
1st mortgage 3⅜s series H 1989	77	80	82	83	82	82	82	82	82	82	—	—	—	—	—	—	77½	82	77	77	—	—	—	—
3½s sinking fund debentures 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ilseder Steel Corp 6s 1948	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indianapolis Union Ry—																								
Ref & Imp 2½s series C 1986	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Inland Steel Co 3¼s deb 1972	135½	146	145¼	145½	150½	150½	146	146	—	—	—	—	—	—	—	—	—	—	213	213	237	237	250	250
1st mortgage 3.20s series I 1982	—	—	93	93	90¼	93	—	—	—	—	90	90	93	93	—	—	—	—	89	89	—	—	87	87¼
1st mortgage 3½s series J 1981	97	99¼	97	98¼	97	97¼	98½	100	97½	99	97	99	96¾	98½	95¾	97¼	90	94⅞	90¼	93	93	94	90¼	92
1st mortgage 4⅜s series K 1987	107	108¾	107½	108¼	107¼	109⅜	108½	108¾	108½	109½	107½	109½	107½	107½	107½	107½	103	105½	100	104⅛	103½	104½	103	103
International Harvester Credit Corp—																								
4⅝s debentures series A 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	103¼	104¼
International Mineral & Chem—																								
3.65s subord deb conv 1977	86½	94	91½	94¼	91½	94¼	94½	96	94	96½	93⅛	96	89	93½	88	90	88¾	98⅞	89½	94¼	89	91½	88	91½
International Tel & Tel—																								
4⅞s conv subord debs 1983	—	—	—	—	—	—	—	—	110⅝	111	110¾	114½	110¾	115¼	114¼	120½	118⅛	131	127	148½	140½	155¼	144⅜	175¼
Interstate Oil Pipe Line—																								
3⅛s s f deb series A 1977	88¼	88¼	—	—	92	92	96¼	98¼	97½	97½	95	95	—	—	91	91	85	85	—	—	86½	90	88	88⅝
4¼s s f debentures 1987	103	104¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	101¼	101¼	101⅛	101⅛	100⅝	101⅛
Interstate Pwr Co 1st mtge 3¾s 1978	—	—	—	—	—	—	93⅝	93⅝	—	—	92½	98¼	—	—	98	98	98	98	—	—	—	—	98	98
1st mortgage 3s 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
I-T-E Circuit Breaker—																								
4¼s conv subord debentures 1982	106¾	111½	106¼	110¼	107	108¾	106	109	107	109	107½	109½	108	112½	110	113	110⅛	114¼	112½	115	107¾	115	109½	115½
J																								
James Frankl & Clear 1st 4s 1959	95⅝	97½	96¼	97½	95¾	98	95½	97	96¼	98	96⅞	98	98½	99¼	98½	99½	99	99¾	99⅜	99½	99⅜	99½	99⅜	99¾
Jersey Central Pwr & Light 2⅞s 1976	87¾	89	88	88⅛	86	86¼	88⅛	88¼	87	88¼	85	85½	—	—	84	84	84	84	81	84	81¼	82	80	80
Joy Manufacturing 3⅝s debs 1975	95	95	—	—	90¾	90¾	—	—	—	—	94	94	—	—	—	—	89	89	—	—	—	—	—	—
K																								
Kanawha & Mich 1st gtd 4s 1990	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	73	75	—	—	—	—	75½	75½
Kansas City Power & Light 2¾s 1976	—	—	—	—	88	89	89¾	89¾	89½	90½	90½	90½	—	—	90½	90½	—	—	80½	81	82	82	82	82
1st mortgage 2⅞s 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 2¾s 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Kansas City So Railway—																								
1st mortgage 3¼s series C 1984	83	88	83⅞	85	84½	84½	83¾	86	85⅜	86½	—	—	87	88	—	—	85	85	83	83¼	83¼	84	83½	83½
Kansas City Terminal Ry 2¾s 1974	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	80⅛	80⅛	—	—	80	80
Karstadt (Rudolph) Inc—																								
4½s debentures adj 1963	90	92½	93	94	92½	93	—	—	—	—	94½	94½	96	96	96	96	97	97¾	95½	97¼	—	—	93	93
Kentucky Central gold 4s 1987	86½	88	90¼	90¼	92	92	92⅝	92⅝	—	—	92⅝	92⅝	92	92	90	90	89¾	89¾	—	—	—	—	89¾	89¾
Kentucky & Ind Terminal 4½s 1961	—	—	—	—	—	—	—	—	40	40	43	43	—	—	—	—	—	—	—	—	—	—	45	45
Stamped 1961	90	94	90½	90½	—	—	90¾	90¾	90¾	90¾	90¾	90¾	91¼	91¼	91⅞	93⅛	91¼	92½	92	92½	91	95½	95⅞	95⅞
Plain 1961	—	—	93	93	—	—	—	—	91	91	—	—	—	—	—	—	—	—	—	—	—	—	93	93
4½s unguaranteed 1961	90	90	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Kimberly-Clark Corp 3¾s 1983	—	—	—	—	—	—	100½	101	100	101¼	100	101⅝	100	100¼	94¾	98¾	91¾	94	90½	95	95	95½	93	93¾
Kings Co Elec Light & Power 6s 1997	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	138	138	—	—	—	—	126½	126½
Koppers Co 1st mortgage 3s 1964	95¾	97⅞	97	99⅛	97½	99	97⅝	99½	98⅛	100⅛	98½	100⅛	97½	99½	97½	99	94¼	95½	94	95	94¼	95¼	95⅛	97
Krueger & Toll 5s certificates 1959	1¾	2⅜	2⅛	2¾	2	2⅞	2	2¼	2⅛	2⅞	2⅛	2⅜	2	2⅛	2	2⅛	2	2⅛	1¾	2¼	1¾	2	1¾	2
L																								
Lakefront Dock & RR—																								
1st mtge s f 3⅞s ser A 1968	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Lake Shore & Mich Sou gold 3½s 1997	71	72	67	72	67	67	64	65¾	64	65⅛	64	66½	64	64¼	64	64⅝	64½	67¾	67⅞	68⅞	68½	68⅞	68	69½
3½s registered 1997	65	67	—	—	—	—	61⅞	62	—	—	—	—	57½	58¼	60	60	65	65	67	67	—	—	—	—
Lehigh Coal & Nav 3½s A 1970	—	—	—	—	72½	73½	72½	72½	70½	71	71	72	72	72	72	75⅛	71	72⅝	72	73¼	71½	72½	70¼	72½
Lehigh Valley Coal—																								
5s stamped 1964	89	91½	91½	95	94	96	93	94	92	92½	91½	93⅝	93⅝	93⅝	94	94	93	94½	—	—	93½	94⅜	93½	95
5s stamped 1974	74	74	73½	73½	73	76	74	76	74	74⅛	74	80	74	80	74⅛	76	74¼	74¼	74½	76	75¾	75¾	75	75¾
Lehigh Val Har Term 1st 5s ext's 1984	75	82	66	66⅛	64⅞	70	61⅞	69⅞	67½	71	70⅜	72	71	72½	69	69¼	71	73	69	73	68½	75⅜	70⅝	75
Lehigh Valley (N Y) ext 4½s 1974	65	66	61⅝	62⅝	60¼	63⅛	55	60	62	62	62½	63½	61	63½	62	64⅛	63	64¼	63⅛	66½	63	64¼	64	64⅜
Lehigh Valley RR—																								
4s series "A" 2003	52¾	52¾	53	53	45	50	40	45½	44¾	47	47	53	51	52¾	50	52	49	51	51¼	53½	50	53	51½	55
4½s series "B" 2003	51	51	51⅝	53	50	52	49⅛	50	51	52	51½	57¼	56⅛	56¼	—	—	54	56	54¼	57	54½	55	53	58¼
5s series "C" 2003	—	—	—	—	53½	53½	48⅛	55	54	55¾	53½	59	59	61	57	59	58	59	60¼	60¾	60½	60½	60½	60½
4s series "D" 2003	36¼	38½	37½	38½	25¾	36¼	25⅝	32	29½	31½	30¼	32	30	31¾	31¼	32⅝	31	38¼	36	38¾	32½	36	31½	35
4½s series "E" 2003	40	40⅛	42	43	33	40½	28	35½	31⅞	34	33	36	33½	35½	33	36¾	33¾	42	38	42½	36¾	40	35	38¼
5s series "F" 2003	45½	45⅝	44	46	31	41	30	38½	35¼	38	36	38	37	38½	37	39⅞	37	45½	43½	46½	42	42½	39½	42
Lehigh Valley Term Ry—																								
1st mortgage 5s extd 1979	80	82	77	81	76	77	75	75⅜	72⅜	75	71⅜	72½	71	73	72	73½	72	73¼	72¾	73⅜	72½	73½	71¾	73⅜
Lexington & Eastern 1st gold 5s 1965	102	102	102	102	102	102	102	103¼	102⅜	104	102½	102½	102½	102½	102⅜	102⅜	101	101	101	101	100	100		—
Libby McNeil & Libby—																								
5s conv s f debentures 1976	97	102½	98¾	102	99½	103	101½	104	103	104½	104¼	107¾	105½	107	106	106½	106	107⅛	106⅜	113	110½	113	110½	114
Little Miami general 4s series A 1962	—	—	—	—	—	—	—	—	—	—	—	—	—	—	96	96	—	—	—	—	—	—		—
Lockheed Aircraft—																								
3.75s subordinated debentures 1980	85¾	92⅞	87½	93	88	92½	90¼	99⅜	96½	101½	100	101⅞	101	107½	106½	110¼	107½	112½	102¾	116	112⅝	125½	124	141⅛
4.50s debentures 1976	88⅞	91	85½	85⅝	87	90	93	93	91	93	92½	93	92	94	92½	93	88¼	92	90	93	91¾	94¾	90	94¼
Lombard Electric 7s ser A 1952	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Lone Star Gas Co 4⅝s debs 1982	—	—	—	—	—	—	—	—	—	—	100	100	101¼	101¼	100	100	—	—	—	—	99	100	100	100
Long Island Lighting Co—																								
1st mtge 3⅝s series D 1976	91	96½	—	—	—	—	—	—	94⅞	96	96	97⅝	89	92	88	89	88	88	—	—	88	90	90	90
Lorillard (P) Co. 3s debentures 1963	95½	96½	96⅝	98	97¼	98⅛	98⅛	99⅝	99½	100⅝	98¾	99⅝	97½	99⅝	98½	99	92⅞	93⅝	93¼	94½	94½	96¼	94¾	96
3s debentures 1976	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	81	81	—	—
3¾s debentures 1978	97	99¼	—	—	97½	97⅞	97⅜	97¾	97¾	98⅝	98½	99¼	—	—	—	—	—	—	85	85	86	88	87¼	87¼
Louisville & Nashville RR—																								
1st & ref mtge 3⅜s series F 2003	77½	78½	78½	79	78¼	78½	76⅝	78	77	78½	78	80	77½	79⅞	78	78	77½	80½	78¾	78¾	76	78¾	76⅛	76⅛
1st & ref mtge 2⅞s series G 2003	71⅛	71½	—	—	72	74	72⅛	72⅜	72⅜	72⅜	72⅜	73	73	73½	72⅜	72⅜	72¼	72⅜	72¼	72¼	72	72¼	70½	72
1st & refunding M 3¾s ser H 2003	83¼	85⅝	85⅝	85⅝	84½	87½	84	86	84	87	—	—	86¾	86¾	86¾	86¾	—	—	86¾	86¾	86¾	86¾	84½	84½
1st & refunding M 3⅜s series I 2030	—	—	—	—	—	—	78	78	78	78	—	—	—	—	—	—	78	78	78¾	78⅞	—	—	76	76
St. Louis Div 2nd gold 3s 1980	—	—	—	—	75	75	—	—	75⅛	75⅛	—	—	—	—	—	—	72	74½	—	—	—	—	—	—
Louisville Gas & Electric 2¾s 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅛s 1982	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅛s 1984	—	—	—	—	—	—	82	82	—	—	87	87	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge 4⅞s 1987	109	109	—	—	—	—	108¾	109	109	109⅜	109¾	109¾	109¾	109¾	—	—	—	—	—	—	106⅜	106⅜	106½	106½
M																								
Mack Trucks Inc—																								
5½s subord debentures 1968	85	91⅛	91¼	94	91	92½	88½	91⅝	90	93	92¼	95⅞	95	97½	96	96¾	95	96¾	95½	97	95½	97¼	95½	99½
Macy (R H) & Co 2⅞s debs 1972	90¼	90¼	—	—	—	—	—	—	—	—	—	—	—	—	92¾	92¾	—	—	—	—	87¼	87¼	—	—
5s conv subord debentures 1977	103⅞	108	107	110	107	109	106¾	112	110	112⅝	109	113	110⅛	112¼	110¾	117¼	112¾	118½	116½	120¾	117	121½	116	122½
Maine Central RR 5⅛s 1978	83	83⅝	84	85½	85	86	84½	85	83¼	83½	82	84½	82	83¾	83½	85	84⅝	88	85	87½	87	87¾	82⅛	88
Manila RR Sou Lines 1st ext'd 4s 1959	—	—	—	—	—	—	—	—	75	76	—	—	—	—	—	—	—	—	90	90	90	90	90	90
Martin Co 5½s s f debs ww 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	107¾	108½
May Dept Stores 2⅝s debs 1972	—	—	85	85	86¼	87	86½	86½	—	—	86¼	86¼	—	—	—	—	—	—	—	—	—	—	—	—
3¼s debentures 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	82	82
3¼s sinking fund debentures 1980	89	92⅝	—	—	—	—	—	—	91½	91½	90	90	92½	93	—	—	93	93	89	93	—	—	—	—
May Stores Realty Corp—																								
General mortgage 5s 1977	108	108⅛	108	109	—	—	108	109	106½	107½	—	—	105	105	104	104	99	100	102	102½	103	103⅛	104	105
McDermott (J Ray) & Co—																								
5s subord conv debs 1972	—	—	—	—	86	92¾	91	93¾	91	92½	91	95	91¼	94¾	90¾	93⅝	89	94	92	99½	96	105	102	106
McKesson & Robbins 3½s debs 1973	93	95	—	—	—	—	—	—	93⅛	94½	—	—	—	—	—	—	—	—	—	—	90	90	90	90
Mead Corp 1st mortgage 3s 1966	95	95	93¼	95	—	—	93	93	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Merritt-Chapman & Scott—																								
4½s subordinated conv debs 1975	71¼	81	76¼	82¼	77	82½	79	82¼	80⅞	81⅞	80¼	84½	80	83	77	81½	79	81	79½	83	82½	91	83½	89¾
Metropolitan Edison 2⅞s 1974	89	89	—	—	—	—	90½	90½	90½	90½	—	—	—	—	85	85	82½	82½	80½	80½	78	79½	81	81
1st mortgage 2¾s 1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Michigan Bell Telephone 3⅛s debs 1988	86½	86½	86½	86½	88	88	88	89½	—	—	89½	89½	—	—	88	88	—	—	—	—	—	—	—	—
4⅝s debentures 1991	104½	104½	104¾	104⅞	103½	103½	104	104¼	—	—	—	—	—	—	—	—	—	—	—	—	102½	102½	99¾	102½
Michigan Central RR—																								
Refunding & impvt 4½s ser C 1979	81	81	82	82	80	81	80	80	78¾	78¾	78	80	76½	78	77⅝	78	74	76½	78⅝	78⅞	79½	81	79½	79⅝
Michigan Consolidated Gas 3½s 1969	97¼	99⅛	98⅛	99¼	99	100¾	99	100¼	99⅞	101⅛	98	101⅛	97⅞	100½	96	99	93	96½	90	93	90⅞	93¾	92	94⅝
1st mortgage 2⅞s 1969	90	90	90½	90½	90	90	—	—	91	91	91	94½	93¼	93¼	—	—	—	—	—	—	—	—	—	—
1st mortgage 3⅝s 1969	—	—	—	—	—	—	96½	96½	—	—	—	—	97	97	—	—	—	—	—	—	—	—	—	—
3⅜s s f debentures 1967	99	99	99	99¼	96	96	98	98	99½	99½	99½	100	100	100	—	—	99¼	99¼	—	—	94	94	92½	94⅛

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Minneapolis-Honeywell Regulator—																								
3¾s sinking fund debentures 1976	102	104	100¼	101	101½	102¼	102¼	105	104½	104¾	103	104	103¼	103¼	98	101	—	—	97	97¼	98½	98¾	97¾	98¾
3.10s sinking fund debentures 1972	95	95¼	95	95¼	94½	94½	95½	95½	96	96⅛	—	—	94	96½	94¼	96½	94¼	94¼	—	—	—	—	85	86
Minneapolis-Moline Co—																								
6s subord income debentures 1986	55	67	x62	66	62	65	59½	64	63	74¼	70½	75	71	75	72	77½	77½	83¼	83	95	x91	97	92	96½
Minnesota Mining & Mfg 2¾s 1967	90	90⅛	91	91	92⅛	94	—	—	95⅛	95¾	—	—	94½	94⅛	94¾	94¾	—	—	90	90	—	—	—	—
Minn St Paul & S S M—																								
1st mortgage 4½s inc series A 1971	77¾	80	77½	78	77½	78½	74¼	78½	75¼	76	75½	76	76	76	77	79	78	78	78½	81	80½	82½	81½	84
Gen mtge 4s inc series A 1991	50	58¾	54½	57½	54¼	57½	51	57	50¼	52¼	50⅞	53½	53	55¼	53	55	53	56¾	53¼	57	56	58	55	58½
Missouri Kansas & Texas 1st 4s 1990	55	60⅛	52	57	52½	63½	60¾	68	63	68	67½	72½	63¼	68⅜	64⅞	66	63¾	66	63⅛	67	66⅝	67⅞	62¼	67⅞
Missouri-Kansas-Texas RR 5s A 1962	66¼	71	67	70	69¾	73⅞	75	82	80	86	85½	89	84½	89	81½	85½	82	85¾	84⅛	86⅞	84½	88	86	87¾
Prior lien 4s series B 1962	62	63¼	62	62⅛	59	67	66⅜	78	77	78½	79	79	77	81¼	78	79	77⅛	80	78	79½	79	80½	79⅛	80
Prior lien 4½s series D 1978	52	55	54¼	56	55	59	60	62	63	65	66½	72½	67	67¼	68⅛	68¾	—	—	66	70	68	70	69	70
Cumulative adjust 5s series A 1967	46⅛	51	41½	48⅛	44⅞	54	x48¾	60	59	63⅜	62⅞	68	64½	66	62⅛	64½	61¼	66½	x63	66½	66⅛	69	63¾	69
Missouri Pacific RR—																								
Reorganization Issues—																								
1st mtge 4¼s series B 1990	66½	72½	70¼	72¾	68	70½	68⅛	75¼	74	78½	75⅛	80¾	73½	77¼	73	76	72¼	75	71⅝	74⅜	74⅜	76½	73	77⅛
1st mtge 4¼s series C 2005	65¼	71	68⅞	70⅞	66¼	69½	66¼	73¼	71¾	76½	73½	78	72¼	75¼	71	74¾	71	73½	70½	73⅜	73	74½	72	76⅛
General mtge 4¾s series A 2020	54	60½	56¼	59¼	x50⅜	57½	51¼	58	55¾	58⅞	59	63	58½	61⅜	60⅛	62⅜	60⅝	63⅜	63	65⅜	64⅞	67¼	65½	67⅜
Gen mtge inc 4¾s series B 2030	50½	56¼	52	55¼	x46⅛	53½	46	53	51⅞	55	54⅞	57⅞	54¾	57	54¾	57¼	56⅛	61⅝	59¾	62	61⅝	64¼	62⅛	64¼
5s income debentures 2045	42⅝	49½	45¼	49⅛	x38½	47½	38½	44⅞	42⅝	47½	47	49⅞	47⅞	51⅞	50¼	53⅜	51⅝	57½	54½	56½	55¾	58	57⅜	60¼
4¼s collateral trust 1976	94	96⅛	96	96½	96	96¾	96	97⅜	96⅛	98½	96⅛	98¼	96	98½	95⅞	97¼	93½	94	94	95	95	96	93½	96
Mohawk & Malone 1st gtd gold 4s 1991	55	56¾	55½	57⅞	50	55	49	54¾	54⅞	55	52	55	54¼	55½	54¼	55½	54¼	57¼	57	59⅝	60½	62	61½	62¾
Monongahela Ry 3¼s series B 1966	86½	86½	—	—	87½	87½	87½	87½	—	—	88	88	—	—	—	—	87¼	87¼	—	—	87¼	87¼	87¼	87¼
Monon RR 6s inc deb 2007	—	—	—	—	—	—	32½	40	35⅛	38⅜	36⅝	41¾	37¾	40	38⅞	40⅜	39	45	42	44¼	42⅛	43½	43	44¾
Morrell (John) 3s debentures 1958	98	98	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Morris & Essex 1st refdg 3½s 2000	45⅛	50⅞	47	50⅞	45¾	47¼	45⅛	51	49¾	51	49¾	51	49⅝	51	50	51	49½	53	51½	53	50⅜	52¼	48¼	51⅜
Mountain States T & T 2⅝s 1986	83	83	83½	84½	—	—	80	83½	81	83¾	82½	83	—	—	—	—	—	—	—	—	—	—	77	77
3⅛s debentures 1978	94⅝	94⅝	—	—	—	—	—	—	—	—	94	94	—	—	—	—	—	—	—	—	—	—	87⅜	88
N																								
Nashville Chatt & St Lou 3s ser B 1986	77	77	77	77	77	77	78½	78½	80	80	80	80¼	80½	81	—	—	80⅝	80⅝	80⅝	80⅝	80¾	80¾	80	80
National Cash Register Co—																								
4½s conv subord debentures 1981	115¾	118½	116	118½	117	118	114	120	119½	127¾	123½	131	124¾	131	127	132	130¾	139½	131½	141	133	137⅛	129⅞	156
Natl Cylinder Gas Co—																								
5⅛s conv subord debs 1977	99⅜	103¾	103½	106⅝	105¼	107¼	105½	110	108¾	109¾	106½	109½	107	109½	108	109¾	107½	112	108	113	105¾	110	109¼	114
National Dairy Products 2¾s 1970	90	92¼	91	92¾	92⅛	93½	92½	94⅝	94¼	96¼	92⅛	96	92½	94½	90¾	92½	86⅝	90¾	87	88	86½	87⅛	88½	90½
3s debentures 1970	93⅜	93½	—	—	96¼	97½	96½	96⅝	97¾	98⅛	98⅜	98⅝	96	96½	93½	95	93½	93½	89½	91⅛	91	91½	90¼	91¾
3⅛s debentures 1976	93⅜	94⅜	96	96	93	93⅛	93⅛	95	96½	100	94	97	94	94⅝	92¼	94	89	92¼	88	88⅞	89⅛	89⅜	89¼	90
Natl Distillers & Chem 4¾s 1983	—	—	—	—	—	—	—	—	—	—	100⅜	101	100½	102½	99¼	101¾	96¼	100¼	98¼	100⅞	100	102½	100½	102
National Distillers Products 3⅜s 1974	91	91	94	96	91½	91½	—	—	—	—	93	93½	93	93½	—	—	—	—	—	—	85	85	85⅝	86½
National Steel Corp 3⅛s 1982	89⅛	93	92¼	92½	92	92¼	92	93	92	93¼	92¼	93½	93⅛	93½	91	91	89	89⅝	88	91	87¼	88	85½	88
1st mortgage 3⅞s 1986	102¾	104½	102⅝	103¼	102⅛	102½	102¼	103½	101½	102¾	102	103½	102½	102⅞	103	103	96	97	96	97	96	96½	94	96
National Supply 2¾s debentures 1967	—	—	—	—	94	94	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Tea Co—																								
3½s subord conv. debentures 1980	93½	100¼	98½	102	99½	104	100	106½	105½	107¾	104	107¼	101½	104	101¾	109	105¾	113	107	113	110½	120	121	137
5s s f debentures 1977	105½	103	107	107¾	106	106⅛	106½	107½	106	107¾	106	108¾	107½	109¼	106	106½	105⅞	106	107	107	104¾	105¼	100¼	105
New England Tel & Tel—																								
1st gold 4½s series B 1961	101½	103	100⅞	102¼	101⅝	102⅞	101	102⅞	101⅛	101⅞	101¼	101¾	101	101¾	100⅝	102	101⅛	102	101⅛	101⅞	101½	102¼	101	102
3s debentures 1982	—	—	—	—	—	—	88½	89	90½	90½	91	91	91	91	—	—	—	—	80	80¼	80	80	79	79¾
3s debentures 1974	91¾	91¾	—	—	—	—	94½	95	92	92	92½	92½	91½	91½	—	—	89	89	—	—	86¾	86¾	—	—
New Jersey Bell Telephone 3⅛s 1988	—	—	86⅛	86⅛	—	—	—	—	88¾	88¾	—	—	89	89	—	—	—	—	81	81	—	—	81	81
N J Junction gtd 1st 4s 1986	—	—	—	—	—	—	—	—	70	70	—	—	68	68	—	—	—	—	70	70	—	—	71⅛	71⅛
N J Power & Light 1st mtge 3s 1974	90	90	90	90	—	—	—	—	90	90	—	—	—	—	—	—	—	—	—	—	82	82	—	—
New Orleans Terminal 3¾s 1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New York Central RR 4s ser A 1998	51⅝	56	50	55	49	51	48⅛	55	51¼	53½	52⅛	55⅞	52½	56¾	55¼	56⅞	55⅜	59¾	57¾	59¾	58½	59⅞	59¼	62⅝
Ref & impvt 4½s series A 2013	55½	61¾	54	58½	51½	55¾	50	59	53½	57	55	58	56	57½	57	60⅞	59⅝	64½	61½	64½	62	64⅜	61⅛	64⅜
Ref & impvt 5s series C 2013	61½	68¾	59¾	65¼	57	61¼	55⅛	64⅜	59½	62¼	60	64	61½	63⅞	62¾	64⅞	63¼	68½	67	69¾	69	70	68¼	70¾
Coll trust 6s 1980	80½	85	80¼	82	75	82	75	82	77¼	81½	78⅝	81	79	80¾	79½	83	81¼	88⅝	86¼	88½	87⅞	91	89⅝	91
New York Central & Hudson 3½s 1997	56⅝	59⅞	56¼	58¼	56	58¼	55½	61½	60½	62	60½	63	60¼	62⅜	60	62⅛	60½	68	67	68¾	69	70	69⅞	70¼
3½s registered 1997	57⅛	57¾	—	—	54	54⅛	53⅛	60	—	—	59½	59⅝	58½	58½	57¼	60	65	65	66½	68	66½	68	68	68⅞
Lake Shore coll gold 3½s 1998	49¼	52	47½	52	42	46¾	43⅝	49½	46¼	48¾	46	50⅞	48⅞	50½	48	52	51	54½	51⅜	55¼	51⅞	54	52	56
3½s registered 1998	47	50	48¼	50	40¼	48½	42¼	46	47½	47½	46¾	47⅜	47⅜	48	47½	50	50	52	51	52½	49¾	53	51½	56
Michigan Central coll gold 3½s 1998	50⅛	52½	49	52	43½	50	44	53½	50⅜	52½	50¼	53¾	49⅜	52	50	54½	52½	60	55¼	60	55	56½	55	57⅜
3½s registered 1998	47⅛	50¼	48½	51	43⅝	48¾	43	48¾	49	49	48	51	48½	50½	48⅛	52½	51½	55	54⅞	56	54⅞	56	54¾	55¾
New York Chic & St Louis—																								
Ref mortgage 3¼s series E 1980	81¾	82	81	81	81	82	81½	82	81½	81½	81	83½	82	82	82⅝	83	82⅞	82⅞	77	82	77	82	82	82
First mortgage 3s series F 1986	79½	79½	79½	79½	79½	79½	79½	80	78⅛	78⅛	79	79	—	—	78	78	—	—	—	—	78½	80½	—	—
4½s income debentures 1989	85	85	86	86	—	—	81	81½	79½	80	82½	83	83¾	84½	80	85½	79¾	80	79	79½	79¼	81½	82	83
N Y Connecting RR 2⅞s B 1975	73½	73½	73½	74⅛	74	74½	72¾	74	69	72¾	69	73	68¼	70	67	68⅛	67	69½	66	67¾	67	68⅛	67	68⅛
New York & Harlem gold 3½s 2000	—	—	—	—	—	—	—	—	—	—	—	—	82	82	—	—	—	—	—	—	82⅜	82⅜	—	—
Mortgage 4s series A 2043	—	—	75	75	—	—	—	—	—	—	74	74	—	—	—	—	—	—	70⅞	71¼	—	—	70⅝	71½
Mortgage 4s series B 2043	72⅞	72⅞	—	—	—	—	75	75	74	80	74¼	74½	74	74	71	74	71¼	72	72	72	74	74	71	73
New York Lack & West 4s ser A 1973	52¾	56¼	56⅛	56¼	52½	56⅛	48⅝	54	51	54	52½	55	51⅞	56	52⅛	55½	53⅜	55½	56½	57	56½	60⅛	52½	60
4½s series B 1973	63	64	62	64	60	61½	55⅛	60¼	60¼	61	56¼	60	59	59⅛	59⅛	60⅛	59	59¼	62	62¼	63	63½	57½	63⅛
N Y New Haven & Hartford—																								
1st & refunding 4s series A 2007	42⅛	45¼	38¼	44¼	35¾	41⅛	38⅛	44	41½	43⅜	41¼	45¼	43	47	45	48½	45½	50¼	48⅛	49¾	46¼	49¼	46½	48¾
General mortgage inc 4½s A 2022	22¼	27⅝	19¾	27¼	19¾	24½	20⅛	24½	21¾	23¾	22½	25	22¾	25½	24¾	27¾	25⅜	34	30⅛	33½	29	32⅞	27	29¾
Harlem River & Port Chester—																								
1st mortgage 4¼s series A 1973	—	—	—	—	60	60	—	—	—	—	60	60	56½	56½	—	—	64	65	—	—	69½	69½	69⅝	70
N Y Ont & Western 1st gold 4s 1992	⅞	1½	1¼	1⅞	1¾	1¾	⅞	1⅜	⅞	1½	—	—	—	—	—	—	—	—	—	—	—	—	—	—
General 4s 1955	½	1	¾	1	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
N Y Power & Light 1st mtge 2¾s 1975	89½	90⅛	89¼	89½	87⅛	88	88	90	88	90	88⅛	90	87⅜	87¾	85	85	82	82	—	—	81	83	82¾	83¼
N Y & Putnam 1st cons gtd g 4s 1993	51	51	55	55⅝	54	55	53	56¾	55	57	52	57	52	54½	52⅜	55	55	57	56⅜	60	58¾	60	59⅝	62
N Y State El & Gas 2¾s 1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
N Y Susquehanna & Western RR—																								
Term 1st mtge 4s 1994	53	53	52½	52½	50	52	50	55	—	—	55	55	59	59¼	58	60	60	60	57	58	58	58	60	60
1st & cons mtge 4s ser A 2004	51	53⅛	53½	58⅞	53	53⅛	50	53½	52	53	56¾	57	—	—	57	59½	—	—	59	59	59	59	58⅜	59½
General mortgage 4½s series A 2019	24⅝	26	—	—	24½	26⅝	24	24	23½	23½	—	—	24½	25	25	30	29¼	30	25	29	26½	29⅞	26⅝	29
N Y Telephone 2¾s series D 1982	86	88	85	87¼	84	84¼	84½	85½	86	86	84¾	86¾	84⅝	84¾	80	81½	76½	79	76½	80	79	79⅝	76½	77⅜
Refunding mortgage 3⅛s ser E 1978	—	—	89½	90	89	91¾	91¾	92	94	94	93	93	91	93¼	—	—	—	—	90	90	85	85	84¼	85
Refunding mortgage 3s series F 1981	89⅛	92	89	90	88½	89⅞	89	90⅝	90	91½	89⅞	89⅞	—	—	—	—	—	—	82	82	82¾	84	—	—
Refunding mortgage 3s series H 1989	—	—	—	—	—	—	87¾	88	87¾	87¾	—	—	—	—	—	—	78	82	—	—	78¼	79⅛	79⅛	79⅜
Ref mortgage 3⅜s series I 1996	95½	96¼	96¼	96¼	—	—	95½	95½	95	95	95¼	95¼	89	92½	84	92¼	84⅛	84⅛	79	79	81⅛	84	82	82
4½s series J 1991	105⅞	106¾	105½	106⅝	105	106⅛	106	106½	106¼	106⅞	106½	107	105⅛	106⅞	102¼	104¼	99½	101½	99⅞	102¼	101⅜	103¼	101¼	103
Ref mtge 4⅛s series K 1993	—	—	—	—	—	—	—	—	—	—	—	—	—	—	97¼	98⅛	97¼	98½	97	99	98	99½	95¾	98¾
Niagara Mohawk Power Corp—																								
General mortgage 2¾s 1980	87¼	87¼	86	88¾	—	—	85½	85½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
General mortgage 2⅞s 1980	88¼	88¼	—	—	—	—	87	87	—	—	—	—	—	—	84	84	80½	80½	79½	79½	79½	79½	79½	79½
General mortgage 3½s 1983	89¾	89¾	92	92	92	92	91	92	—	—	92⅛	92⅛	—	—	91	91	—	—	86	86	—	—	88	88
General mortgage 3¼s 1983	—	—	—	—	—	—	93	94	95½	95⅝	96⅝	98	—	—	—	—	—	—	—	—	88⅝	88⅝	86	86
4⅝s convertible debentures 1972	109¾	113¼	110½	113	112¼	116½	113	116⅝	112⅝	117⅜	113	118⅝	113	115¼	111	114	111	113	111½	119½	117½	122¾	117	121
General mortgage 4⅞s 1987	108⅜	110	107½	109⅝	108	108¾	108⅜	109½	109¼	110¼	108½	111	106¾	108⅝	106½	107	104⅜	105⅞	105	107	108¾	r109	106	106
Norfolk & Western Ry 1st cons 4s 1996	104½	106½	105½	106⅛	105¾	106⅜	105½	105¾	105½	105½	105	105¾	102⅝	105⅛	100	101¾	98¼	100¼	99	99⅝	98¾	99¾	99¼	100
North Central gen & ref 5s ser A 1974	98	98	—	—	100	102	97½	97⅝	—	—	—	—	—	—	—	—	95	95	95	95	96	96	—	—
General & ref 4½s series A 1974	—	—	—	—	—	—	94	94	—	—	93⅜	93⅜	—	—	—	—	—	—	92	92	—	—	—	—
Northern Natural Gas Co.—																								
3⅜s debentures 1973	94	94	97¼	97½	95½	95½	—	—	96¼	96¼	96	96	—	—	—	—	—	—	—	—	—	—	—	—
3¼s debentures 1973	92	92	91½	93½	93	93	93	93	93	93	94	95	93¼	94	93¼	93¼	89½	91	86⅞	87	87¾	87⅞	87¾	88⅛
3¼s debentures 1974	92	92⅛	91½	92¼	91¾	91¾	93¾	94	—	—	94	94	94	94	94	94	—	—	91	91	87	87	87	87
4½s s f debentures 1976	105¾	105¾	106	106	—	—	104½	104½	106	106½	—	—	106	106	—	—	99¼	102	—	—	99	103	—	—
4⅝s sink fund debs 1977	105⅜	106	105½	105⅝	106	106½	105½	106¾	105⅛	106	105⅜	106	105	105	102	104½	99	101½	100½	102⅜	101	103½	101½	101¾
4⅝s sinking fund debentures 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	101½	101¾
Northern Pacific Ry prior lien 4s 1997	93⅛	96	93¼	95⅞	91½	95	91⅞	94½	94½	97¼	97¼	99¼	94	98	91	95⅛	87	90⅝	88	91⅛	91⅛	94	89¾	92
4s registered 1997	87	90	89	89	89½	95	—	—	91½	91½	92	92	88	88	83	83	—	—	—	—	86	86	85½	86½
General lien gold 3s Jan 2047	63½	66	60¾	64½	60	61½	60⅛	63⅝	62¼	64	62⅝	65	63¾	65	63	65	64⅛	67	63	66¾	63¼	66¾	64½	66½
3s registered 2047	60	60	60	61	59	60½	57½	58¼	58¾	58¾	—	—	62	62	—	—	60	65½	58	64⅛	59⅝	61	60	62
Refunding & impvt 4½s ser A 2047	84¼	87⅛	87	89	83⅞	88	85	90⅛	89½	91⅞	91	93	91	91¾	87	89	87¼	90	87½	90⅛	88	90	88⅜	91
Collateral trust 4s 1984	89¾	89⅞	91	91¼	91	91½	92½	94⅛	94⅛	95	95	95¼	95	95¼	95	95	95	95	93⅛	95	93⅛	93¼	93¼	94¼
Northern States Power (Minn.)—																								
1st mortgage 2¾s 1974	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	81	81	81	81	—	—
1st mortgage 2¾s 1975	89	90	87½	89½	86½	88⅝	88⅝	91½	88½	88½	89¼	90	87⅛	88½	83	84	81	82¼	80⅝	83	81⅝	83¾	80½	82¾
1st mortgage 3s 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 2¾s 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3¼s 1982	—	—	—	—	—	—	91	91	—	—	—	—	—	—	—	—	—	—	81⅝	81⅝	—	—	—	—
1st mortgage 3⅛s 1984	—	—	—	—	85½	85½	87	87	87	87	—	—	87	89¾	—	—	—	—	—	—	—	—	79	82½
1st mortgage 4¼s 1986	103½	104	—	—	103½	103½	103	103	101½	102	—	—	102	102	100	102	98	98⅛	—	—	98	98½	98	98½
1st mtge 4s 1988	—	—	—	—	—	—	—	—	—	—	—	—	—	—	97⅝	98	95	96½	96⅜	97½	97	97¼	96½	97¾
1st mortgage 5s 1987	—	—	—	—	104¾	105¼	105½	106	107	107¼	104¾	104¾	105	105⅝	—	—	95	96½	—	—	—	—	—	—
(Wis) 1st mortgage 2⅝s 1977	—	—	80	80	—	—	—	—	85	85⅞	—	—	—	—	—	—	—	—	—	—	85⅞	86½	—	—
1st mortgage 3s 1979	—	—	—	—	—	—	—	—	90¼	90¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 4⅝s 1987	—	—	—	—	103	104¼	—	—	—	—	103	104¼	—	—	—	—	—	—	99¾	103¾	103¼	104¼	104½	104½
Northrop Aircraft Inc—																								
4s conv subord debentures 1975	83	91	84¼	90½	83⅞	86¾	85½	90⅝	87	94	91⅞	96½	94	100¾	99	102¼	97½	106	97½	106	105	115⅞	110	136½
Northwestern Bell Tel 2¾s deb 1984	82⅛	83¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¼s debentures 1996	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
O																								
Ohio Edison Co 3s.....1974	92	93⅞	91⅞	94	90½	92	92	94	93½	94½	94⅞	97	95⅞	96	90	95½	85	89½	85	89½	—	—	82	86⅞
1st mortgage 2¾s.....1975	89	89½	89	90	89	90	90⅛	91¼	—	—	89⅜	90⅛	87	88	—	—	82	84	82	84	82¼	82½	81¾	82¼
1st mortgage 2⅞s.....1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	76⅛	79	—	—
Oklahoma Gas & Electric 2¾s.....1975	89	89	89	89	87½	87½	87	90¼	90	90	88	90	87	89	84	86	—	—	—	—	84	84	81½	84
1st mortgage 3s.....1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2⅞s 1st mortgage.....1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge 3⅜s.....1982	—	—	—	—	—	—	90	90	93	93	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3¼s.....1985	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge 3⅞s.....1988	—	—	—	—	—	—	—	—	—	—	—	—	—	—	96	96½	—	—	92⅝	92¾	93	93	93½	93½
1st mortgage 4½s.....1987	101	101	105	105	104¼	105	104¼	105	—	—	104½	104¾	104¾	104¾	104¾	105	—	—	98½	98½	99½	99½	99½	99½
Olin Mathieson Chemical—																								
5½s conv subord debs.....1982	104⅛	109	102½	108⅜	99¾	103¼	97	101⅞	101⅛	104¾	100¾	104⅛	101	104½	103⅛	105	101¾	106½	106¼	109¼	107¼	110	109¼	118
5½s conv subord debs.....1983	—	—	—	—	—	—	97¾	101½	100⅞	104⅜	101	104	100¾	104⅜	103	104⅞	101½	106¼	106	109¼	107¼	110	109¼	117½
Oregon-Wash RR & Nav 3s ser A.....1960	97¾	100½	98	100⅛	99½	100½	100⅛	101	100⅛	101	100¼	101	99⅜	101¼	98	100¼	97¼	98½	97⅜	98⅛	97½	99	98	98¾
Owens-Illinois Glass 3¾s.....1988	—	—	—	—	—	—	—	—	—	—	—	—	99	99½	93½	100¼	92¼	93⅞	97⅜	98⅛	94¼	95½	93½	94½
Oxford Paper Co—																								
4¾s conv subord debs.....1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	107¼	112½	110	112½
P																								
Pacific Gas & Elec 3½s series I.....1966	98	100⅛	101	101	102	102	102	102	—	—	—	—	—	—	100½	100⅝	100⅝	100⅝	101	101	—	—	101	101
1st & refunding 3s series J.....1970	94	97	93	95⅝	93⅝	93⅝	94¼	96½	96	97¼	96½	97¾	94	97¼	89	92½	89	89	89½	91⅛	91	92	86	91
1st & refunding 3s series K.....1971	94¼	96⅛	93½	95¾	93⅛	94½	93½	95¼	95½	96½	95	95¾	95	97⅜	93	95	90½	93½	87½	88¼	88⅛	89⅝	85¾	89⅞
1st & refunding 3s series L.....1974	91⅝	95⅝	92½	94½	90½	93¼	91	94¼	92¼	94½	92	94⅞	90⅜	93⅝	85⅝	91	84⅞	87	85¼	88	85¾	87⅛	84¾	86¾
1st & ref mtge 3s series M.....1979	91¾	92½	88⅞	91¼	88	90	89¾	92¾	90⅛	91¾	90¾	92½	91	92¼	84½	92½	82	83½	81¾	84¾	82¾	84⅜	81	84⅜
1st & ref mtge 3s series N.....1977	90¼	92	90¼	92¼	89⅞	92¼	90⅜	91⅝	91½	91⅝	90½	91¾	88	90½	—	—	80⅝	84	81	83½	82½	83¾	82	84
1st & ref mtge 2¾s series P.....1981	86	86½	87	87	—	—	85	86⅛	86½	86½	86⅜	86½	85⅞	85⅞	78⅛	79	—	—	78½	80	78½	79½	78½	79
1st & ref mtge 2⅞s series Q.....1980	86¼	90	86¼	90½	85¾	88	87	90	87½	88¼	88¼	88¼	85	88½	84	84	83½	83½	79½	80¼	80¼	81	80	80½
1st & refunding M 3⅛s ser R.....1982	90	92	91⅛	93½	—	—	91½	93⅞	90⅜	92¾	—	—	—	—	—	—	83¾	83¾	—	—	84	84	85	85
1st & ref mtge 3s series S.....1983	83⅝	87	90½	91	91	91	91	91	—	—	—	—	90	91	86⅞	86⅞	81	81½	80½	80½	—	—	—	—
1st & ref mtge 2⅞s series T.....1976	88¾	90¾	91	91	91	91	91	91	—	—	—	—	—	—	—	—	—	—	81¼	82	82⅛	83	83¼	83¼
1st & ref 3⅜s series U.....1985	95	97⅛	96	96¾	94⅞	96⅜	94⅞	96¼	95⅞	97	94¼	95	94	95	93	93	—	—	86	86	85⅜	86½	84	86
1st & ref mtge 3⅛s series W.....1984	89½	92½	91½	93⅞	88½	92	90	92	90	90	91½	92¾	89⅛	91	—	—	82½	82½	80½	81½	83¼	84	82¼	85
1st & ref mtge 3⅛s series X.....1984	89¼	94⅝	90	91½	89¾	92	90¾	91¾	90	91⅛	91⅛	91⅛	—	—	88	88¼	82	83½	81⅛	81¾	82¼	84	82⅞	84¾
1st & ref 3⅜s series Y.....1987	97¼	98	98	98	98	98	97⅞	97⅞	95⅛	96½	96⅜	97	—	—	—	—	82¼	84	83	86	87	87	82	85⅝
1st & ref mtge 3⅜s series Z.....1988	96½	97¼	96½	96½	96½	97½	—	—	96	96	95¾	96½	95½	96	—	—	—	—	—	—	86½	87	87	87
1st & ref mtge 4½s series AA.....1986	105¼	107	104½	106	103½	105½	104½	106½	106⅛	107	104½	106⅛	104⅝	105¼	104⅝	105	100	104⅝	100½	102⅞	101¼	103	100½	103½
1st & ref mtge 5s series BB.....1989	109½	111	109½	111	r108	110¾	108	110⅝	110	110¾	109½	110¼	108⅝	110¼	106	108¾	105½	107	106⅜	108	108½	110	104¾	108½
1st ref M 3¾ series CC.....1978	—	—	—	—	98¾	100¼	99½	100⅝	99¾	100¾	99¾	101⅜	98¾	101	95⅛	99⅝	93	95½	93	97½	96⅜	98	94	96
Pacific Tel & Tel 2¾s debs.....1985	84	86	85½	87	82¾	84¾	82⅛	85¾	85¾	86⅛	85⅞	86½	82	82	—	—	73½	75⅛	75	78¾	76¼	79½	75	77½
2⅞s debentures.....1986	84½	86½	86	86	85½	86½	85	86¼	—	—	86	86	85¼	85¼	—	—	76	78	76	77½	78	78	77¼	79¾
3⅛s debentures.....1987	87⅛	88½	87	91	87¼	88	87¼	89	88	88½	88⅛	90	86	90⅛	84½	88	79½	80	78⅞	81⅛	81¼	82½	80	82½
3¼s debentures.....1978	—	—	90	92	92	92⅝	92	93¾	93	95	92⅜	93⅝	91	91½	—	—	83½	83½	83½	83½	83¾	88¾	85¼	88
3⅛s debentures.....1983	90¾	91⅛	91½	91½	89	89	90½	90½	91½	91½	88	89½	—	—	—	—	80⅞	81	81	81½	81¼	82¼	81½	82
3½s debentures.....1981	—	—	—	—	—	—	94⅝	94⅝	94⅝	94⅝	—	—	94	94	—	—	—	—	—	—	86½	90¾	89½	90½
3⅝s debentures.....1991	98¾	99½	99½	100	98½	98½	96½	97	98	99¾	99	99¾	97½	97½	—	—	88	88	87½	87½	87½	88	—	—
4⅝s debentures.....1988	104¾	106½	105	107	103⅞	106	104½	107	104⅞	106½	105¼	106	100¾	105⅞	99	99	96½	100⅛	97	101¼	99	101½	98¾	101¼
Pacific Western Oil Corp—																								
3⅛s debentures.....1964	—	—	97	97¾	—	—	97⅞	97⅞	—	—	97¾	97¾	—	—	97¾	97¾	97¾	97¾	—	—	—	—	—	—
Pennsylvania Power & Light—																								
1st mortgage 3s.....1975	92	95	90	95	91	93	91½	92½	91¼	92⅝	91½	92½	90½	91⅝	88¾	90¾	88¾	90¾	80¼	86	82⅝	84½	82	84
Pennsylvania RR—																								
Consolidated 4½s.....1960	99⅞	101	99¾	101	99⅜	101	99¾	101	99⅞	100½	99¾	101¼	100¾	102¼	100¼	102¼	100¼	102¼	100	101	100	100½	100¼	101⅛
General 4½s series A.....1965	92⅛	95¾	90	93¼	83	90⅞	87¼	91¾	85¾	89¼	86⅞	88¾	88	91	89⅛	91½	89⅛	91½	90½	92½	93½	95⅞	94⅜	96¾
General 5s series B.....1968	97¼	99¾	92	99	85½	90¾	87¼	91½	88	90	89⅛	92	91	92¾	90	91¾	90	91¾	90½	92	92⅛	96½	95⅛	97
General 4¼s series D.....1981	73¼	77½	73	76½	68¼	70¾	66⅛	73½	69½	71¾	71⅞	74	72	73½	70⅝	73¼	70⅝	73¼	72	74¾	74	76¾	76½	79
General 4¼s series E.....1984	73½	77¾	73	77	68	70¼	66	72	68½	72	70¾	74	72	73	70½	73⅛	70½	73⅛	71⅜	74¼	74⅝	76½	76	78⅛
General mtge 3⅛s series F.....1985	58	63¾	59½	60⅛	54	59⅞	56	58¾	56⅞	58	56½	60½	59	61	57	61	57	61	57¼	60¼	61½	62⅞	61	64⅞
Peoria & Eastern 4s extended.....1960	92¼	93½	92⅜	93	93	94	93⅜	95	93⅝	95	94¾	95½	95¼	96	95½	95½	95½	95½	95½	97	97¼	98½	98¼	98½
Income 4s.....1990	46	49	48	48½	48	49	42½	46	46	47	48⅛	60	—	—	54⅛	56¼	54⅛	56¼	56	56½	58	60	60	60⅜
Pere Marquette Ry 3⅜s ser D.....1980	87	88½	87	88½	87½	89	86	87¾	86½	88	86	87	85	88	83½	86	83½	86	81	83	61	81	81½	83
Philadelphia Baltimore & Wash—																								
General 5s series B.....1974	100¼	100¼	—	—	101	101½	100	101	99½	99½	—	—	97	97	96⅞	97	96⅞	97	95	95	94¾	96½	94	95
General gold 4½s series C.....1977	92½	96¼	—	—	94¼	94¼	—	—	90	90	—	—	83½	83½	85	86⅞	85	86⅞	86½	87	86	87	82	85⅞
Phila Electric 1st ref mtge 2¾s.....1971	89	92⅝	89	89½	90¼	92	91½	94½	95¼	95¼	92⅛	94⅞	92	94	92	92	92	92	92	92	89	89	89⅞	90
1st & refund mortgage 2¾s.....1967	93⅝	95	93½	97	95½	96	95⅞	97¼	97¼	98	95½	98	95½	97	90	96	90	96	90	91½	90⅜	91¾	90¼	92
1st & refunding 2¾s.....1974	88	91¾	89¾	90½	88½	89	89	90¼	90	91⅛	91½	92	88½	91½	88½	88½	88½	88½	88½	88½	83	84	82⅜	83¼
1st & refunding 2¾s.....1981	—	—	86⅛	86½	84½	86⅛	84½	84½	88¼	88¼	86¾	88¼	84½	84½	—	—	—	—	—	—	78½	79½	80	80⅛
1st & refunding 2⅞s.....1978	65	85	85½	85½	—	—	88⅛	88⅛	89⅛	90	—	—	89¾	89¾	86	86	86	86	—	—	82	83½	—	—
1st & ref 3¼s.....1982	—	—	—	—	92	92⅛	—	—	92½	94¾	94¾	94¾	94¾	94¾	94⅜	94⅜	94⅜	94⅜	83	84½	87	87	—	—
1st & refunding mortgage 3⅛s.....1983	—	—	—	—	—	—	90	90	90	90	91	91	—	—	—	—	—	—	81	81	81	81	83¾	84½
1st ref mortgage 3⅛s.....1985	91¼	91¼	92¾	93	—	—	93½	93½	92⅞	92⅞	90	91½	—	—	89⅞	89⅞	89⅞	89⅞	—	—	—	—	82¼	82¾
1st & ref mortgage 4⅝s.....1987	107½	108¼	106⅝	108¾	107	108	107⅝	108½	107¾	108½	106⅞	108½	—	—	105	106	105	106	103⅜	105⅜	104½	106¼	104½	105¼
1st & ref mtge 3⅞s.....1988	—	—	—	—	—	—	—	—	—	—	98¼	100	97¼	99	92	97½	90⅛	92	90⅞	93	92⅜	94	91	93½
Phillips Petroleum 2¾s.....1964	96	97¼	97½	98¾	97¼	98	97¾	98¾	98	99⅝	99⅛	99⅞	96⅞	99⅜	96	97½	94½	96	94	94¾	94	96	94¾	96
4¼s conv subord debentures.....1987	106¼	109½	107⅛	109⅝	107¾	109	107¾	110¾	109½	112	110	112½	110¼	114	108½	114½	107	112¾	110⅛	112⅞	110	115½	111¼	118
Pillsbury Mills 3⅛s debentures.....1972	92	92	—	—	—	—	94	94	92	92	—	—	—	—	93⅛	93⅛	93½	93½	91	93½	—	—	91¼	91¼
Pitts Bessemer & Lake Erie RR—																								
1st mortgage 2⅞s series A.....1996	76	76	—	—	—	—	76	76	—	—	—	—	76	76	—	—	—	—	—	—	—	—	—	—
Pitts Cinn Chic & St Louis Ry—																								
Cons gtd gold 4s series H.....1960	—	—	96½	96½	96⅞	97	—	—	—	—	98	98	—	—	98⅛	99¾	98	99¾	—	—	—	—	—	—
Cons gtd gold 4½s series I.....1963	100	100	—	—	99	100	100	100	—	—	99½	99½	99½	99½	98⅝	98⅝	—	—	98½	98½	97¾	97¾	97⅝	97⅝
Cons gtd gold 4½s series J.....1964	98	98	—	—	98	98	—	—	98	98	—	—	—	—	97½	97½	—	—	—	—	—	—	97⅝	97⅝
Pittsbg Cinn Chic & St Louis RR—																								
General mortgage 5s series A.....1970	92	95	93	95	85	94	86	90	83½	87	84⅝	86½	85½	88½	84	87	83½	86¾	85½	92	89⅝	92	87⅞	90¼
General mortgage 5s series B.....1975	92½	93⅝	93½	93⅝	92½	93½	86½	88	84	87	84	86	85	87⅛	83	85	82½	85	84⅝	87⅜	88	88¾	86	88
General mortgage 3⅜s series E.....1975	71¾	73	73½	73½	73⅝	74	70	70	67	70	62	66½	65	66	—	—	64½	65	65¼	65¼	66⅛	67⅛	67⅛	72
Pittsbgh Coke & Chem 3½s.....1964	—	—	—	—	—	—	96⅞	96⅞	—	—	96¾	96¾	96¾	96¾	96	96	—	—	—	—	96½	96½	96	96⅛
Pittsburgh Consol Coal 3½s debs.....1965	—	—	93	93	94	94⅛	95⅛	96	96	97	96	97	97	98	93	98	93	93	91¼	94	91¾	92½	92⅝	92⅞
Pittsburgh Plate Glass 3s debs.....1967	99	100	98	99½	98½	99¾	98⅜	101¼	99½	101⅜	99¼	99¾	98¼	99⅝	96	99	95½	97½	96	97½	96¼	97½	95	96¼
Pittsburgh & West Va Ry—																								
1st mortgage 3⅞s series A.....1984	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pitts Youngstown & Ashtabula—																								
1st general 5s series B.....1962	—	—	—	—	—	—	101	103	—	—	—	—	—	—	—	—	98	98	—	—	102	102	98	98⅛
1st general 5s series C.....1974	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st general 4½s series D.....1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Plantation Pipe Line 2¾s.....1970	—	—	—	—	—	—	92⅝	92⅝	93½	93½	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3½s sinking fund debentures.....1986	—	—	94⅛	96	—	—	95	95	—	—	93⅞	93⅞	—	—	—	—	—	—	—	—	—	—	—	—
Potomac Electric Power Co—																								
1st mortgage 3¼s.....1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mortgage 3s.....1983	—	—	88¼	88¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	82	82	—	—
First mortgage 2⅞s.....1984	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¾s conv debs.....1973	—	—	—	—	—	—	106¾	108¾	107⅝	110	108	110	106	109¼	103¼	107¼	102½	106	105½	107½	105½	110	109¼	112¼
Procter & Gamble 3⅞s debs.....1981	103½	104⅞	103	104⅛	102	103½	102½	103¾	103¼	104¾	104	105	100¼	105⅛	98½	100	96	98½	96½	98¾	98	99⅛	97⅞	98⅞
Public Service Elec & Gas Co—																								
3s debentures.....1963	96¼	99	97½	99	97¾	99	98½	100½	99⅛	101	99¾	101	99½	100¼	97¼	99¾	94	98	94⅛	98	95	96¼	94½	96¼
1st & refunding mortgage 3¼s.....1968	95	97½	—	—	98½	99⅛	99⅝	101	100	100⅝	100	101⅛	100	101½	100	100½	—	—	100	100	—	—	—	—
1st & refunding mortgage 5s.....2037	—	—	—	—	—	—	—	—	—	—	—	—	111	111	—	—	—	—	—	—	—	—	106½	106½
1st & refunding mortgage 8s.....2037	—	—	173⅛	173½	174	174	173½	173½	—	—	—	—	170	170	—	—	—	—	166	166⅛	168	169	167	169
1st & refunding mortgage 3s.....1972	—	—	—	—	94½	94½	94⅝	95⅛	96½	96½	—	—	96⅞	96⅞	90	94½	89	89	89	89	89	89¼	88¾	89¼
1st & refunding mortgage 2⅞s.....1979	—	—	—	—	—	—	88	88	87	87	—	—	—	—	—	—	—	—	—	—	80	80	78¾	78¾
3⅜s debentures.....1972	96⅞	98	97⅞	98½	95¼	98¼	98⅜	99⅛	99	99	98⅞	100	98¼	99	97½	98	97½	97½	89	92	89⅞	90½	89⅜	90½
1st & ref mtge 3¼s.....1983	92½	92½	93	93	—	—	94½	94½	92	92	—	—	—	—	91	91	—	—	—	—	—	—	—	—
3½s debentures.....1975	97½	98⅝	97	98¼	97⅞	98¾	97⅞	99⅛	98⅝	99¾	98¾	99¾	98	99½	95	98¾	95	95	94	95½	94	94⅝	92	93
4⅝s debentures.....1977	105	106¾	105	105¾	104½	106	106¼	107	105¼	106⅝	105½	107	102	106⅝	101½	104¾	99½	101½	100⅞	103¼	103¼	104¾	103½	104¾
Q																								
Quaker Oats 2⅝s debentures.....1964	94	94½	95	96	96⅛	96⅛	95½	97¾	96⅞	96⅞	97½	97⅝	97½	97½	—	—	96	96	93	93	93⅛	93⅛	93⅜	94⅛
R																								
Radio Corp of America—																								
3½s conv subord debentures.....1980	92	98	93¾	95⅞	94⅛	95¾	93⅝	95⅞	95¾	98½	96¼	98½	96	98½	92⅝	97½	92½	96	92	100½	96½	101¾	100½	110½
Reading Co 3⅛s series D.....1995	67½	70⅛	67	70½	67⅛	70	67¼	69½	68½	70	70	72½	73⅛	74⅛	74	74½	72	75	68½	70	70	70	70	70¼
Reynolds (R J) Tobacco 3s.....1973	89	91¼	91¼	94	94	95½	95	95½	94	95⅛	93½	95	94¾	94¾	—	—	90½	90½	90¾	91½	89⅞	89⅞	87	87
Rheem Mfg Co 3⅞s debs.....1975	—	—	80	81	80⅛	80⅛	—	—	87	87	88	88	—	—	—	—	85	85	86	90	86	90	—	—
Rhinelbe Union 7s s f mtge.....1946	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¼s assented.....1946	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rhine-Westphalia Elec Power Corp—																								
Direct mortgage 7s.....1950	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Direct mortgage 6s.....1952	—	—	177	177	—	—	—	—	182	182	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Consolidated mortgage 6s.....1953	—	—	—	—	—	—	—	—	182	182	182	185	—	—	—	—	—	—	—	—	—	—	—	—
Consolidated mortgage 6s.....1955	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Debt adjustment bonds—																								
5¼s series A.....1978	85½	85½	90½	90½	—	—	—	—	—	—	94	94	—	—	—	—	99¼	99¼	96½	96½	97¾	97¾	97⅞	98½
4½s series B.....1978	82½	82½	—	—	84⅝	86	—	—	—	—	88¾	88¾	89	91	92½	92½	96¾	96¾	94⅛	95½	—	—	94½	94½
4½s series C.....1978	79¼	82½	83¼	83¼	85	85	84½	86½	88	88⅛	88¾	89½	88¼	88¼	92	95	95	95	94	96	93	94	90¼	93½
Richfield Oil Corp—																								
4⅜s conv subord debs.....1983	—	—	—	—	—	—	109⅞	111¼	110⅜	116¼	116½	129¼	126	139	122	136	121¾	130½	124	132	129	150¼	137	155½

NOTE: All bond footnotes shown on page 28.

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Rochester Gas & Electric Corp—																								
General mtge 4½s series D 1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
General mtge 3¼s series J 1969	—	—	94	94½	93¾	94½	96½	96½	96¼	96½	96½	96½	96½	98½	94¼	98½	—	—	—	—	—	—	—	—
Rohr Aircraft Corp—																								
5¼s conv subord debentures 1977	93¾	101	97½	101	98	101¼	98½	103¾	102	107	104⅞	107½	104⅜	110¼	106	109	107	109⅛	106	120¼	116	132	121	136
Royal McBee Corp—																								
6¼s conv subord debentures 1977	106½	110½	107½	112	107¼	110	107½	111¼	109¾	111	109⅞	114	111	113½	111	113	111½	113½	113½	120	115¾	118½	117½	120¼
S																								
Saguenay Power 3s ser A 1971	—	—	—	—	—	—	91	91	—	—	—	—	—	—	91½	91½	—	—	91½	91½	—	—	89¼	91½
St Lawrence & Adir 1st gold 5s 1996	71½	71½	—	—	—	—	—	—	—	—	—	—	—	—	70	70½	70	70	69	71¼	70	72	70	71
2nd gold 6s 1996	76	76	72	72	70	70½	65	65	—	—	—	—	—	—	—	—	—	—	66	66	—	—	—	—
St Louis-San Francisco Ry—																								
1st mtge 4s series A 1997	72½	76½	73¼	75	69	73½	68½	74⅝	74	79¼	77½	79¼	74¼	78¾	71	75½	72	74⅛	72	74½	73½	76	73¾	76
2nd mtge 4½s series A 2022	58¾	64	57	64	56½	61⅜	x56½	64¼	63⅛	66	65½	69	63½	66½	68	70½	67¾	73⅛	70⅝	73⅝	74	76½	71½	75¼
1st mortgage 4s series B 1980	—	—	—	—	—	—	—	—	—	—	80	80	81	81	—	—	—	—	—	—	—	—	—	—
5s income debs series A 2006	50	59¼	52	58½	51	54⅞	52¾	59⅝	x56¼	61	60¾	63½	59½	61	60½	63¼	61¾	69	68⅛	71¾	x66¾	69¾	67¼	70¼
St Louis Southwestern RR 1st 4s 1989	98	100	100	100	98	98	97	98	97	98½	98½	101½	98½	98¾	93	95	87	89	88⅛	88⅝	88⅝	89	90⅛	90⅛
2nd gold 4s inc bond ctfs Nov 1989	—	—	—	—	—	—	—	—	—	—	—	—	85	85	—	—	—	—	—	—	—	—	83	83¼
St Paul & Duluth cons 4s 1968	—	—	—	—	—	—	—	—	97⅝	97⅝	98¼	98¼	—	—	—	—	—	—	—	—	—	—	—	—
St Paul Union Depot 3⅛s "B" 1971	—	—	90	91	—	—	—	—	—	—	—	—	—	—	85	85	—	—	—	—	85	85	85	85
Scioto V & N E 1st gold 4s 1989	96	96	99⅞	99⅞	97	97	103	103	—	—	—	—	—	—	—	—	—	—	—	—	93	96	—	—
Scott Paper Co 3s conv debs 1971	97¼	101¼	98½	100¼	99	100½	99¼	103½	101½	104⅞	103	105½	102⅜	105⅝	102¼	106	98¼	105	102	105¼	101½	109⅞	104	106⅞
Scovill Mfg 4¾s debentures 1982	—	—	—	—	103¼	103¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	103	103	—	—
Seaboard Air Lines RR—																								
1st mtge 3s series B 1980	77	77	78	78	—	—	82	82	81	82	81	81	81	81	—	—	81	81	81	81	81	81	—	—
3⅞s debentures 1977	—	—	89	89	—	—	—	—	—	—	—	—	—	—	—	—	—	—	91	91	—	—	90⅛	90½
Seagrams (Jos E) Sons 2½s debs 1966	90	90	89	89	90	90	—	—	92	92	92	92	92½	92½	89	90⅛	—	—	89	89	—	—	88¾	88¾
3s debentures 1974	—	—	—	—	—	—	87	87	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sears Roebuck Acceptance Corp—																								
4⅜s debentures 1972	106	108½	106½	107	103¾	105⅞	105	106	106⅛	107⅛	106	107½	104¾	106	102½	105	100⅝	103	102⅝	105	103⅞	104½	102	104⅜
4⅝s subord debentures 1977	101½	102¼	101½	104	104	105⅝	105	105⅝	104	105	103¾	104¾	103	104¾	98	103	97⅛	100	99¼	102	101⅝	104½	99¾	103¾
5s debentures 1982	109½	110¾	109	111	108½	111	109½	110¾	109½	110⅞	109	110⅛	109½	111½	106½	109⅝	103	106	104	107½	107	108	106	108
Sears Roebuck & Co 4¾s 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	105⅛	106¼	104	106
Service Pipe Line 3.20s 1982	93	93	95	95	96	96	—	—	95	96	95	95¾	—	—	—	—	—	—	—	—	—	—	86⅛	89½
Shamrock Oil & Gas Corp—																								
5¼s conv subord debentures 1982	105¼	108¾	108¾	110¾	109¾	112⅝	112	114	112⅜	115	114¼	117	116	118¾	113½	120⅛	114¼	117⅛	114½	124	121	130	123	132
Shell Union Oil 2½s 1971	90	91½	89½	91⅜	89	91	91½	93½	92	94	91½	93½	90	92⅛	86	90¾	84	86¾	85⅛	87	86½	87⅝	86¾	88
Siemens & Halske 6½s 1951	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sinclair Oil Corp—																								
4⅜s conv subord debentures 1986	106¼	108½	107⅛	109	108	110⅜	109	110⅜	109¼	111½	110¼	114½	111¾	115	108¾	114	107¼	112¼	111⅝	114¾	112	117½	114	121
Skelly Oil 2¾s debentures 1965	—	—	—	—	—	—	96	96	96½	96½	98½	98½	99	99⅛	—	—	99	99	98½	98½	99	99	97⅞	98½
Smith-Corona Inc—																								
6s conv subord debentures 1978	104	113	108¾	114	108½	110	106⅛	111	109⅝	110¾	110	114½	111	113¼	112	117	112¾	124	118⅛	130	113½	127	—	—
Socony-Vacuum Oil 2½s 1976	87¼	91	87½	89½	87½	88½	87⅜	88¾	87⅝	89⅝	88½	90¾	88½	89¼	81	89¼	79¼	80¼	80	82⅞	81¼	83½	81½	84
South & North Alabama gtd 5s 1963	—	—	—	—	—	—	—	—	—	—	100½	100½	—	—	—	—	102	102	102	102	—	—	—	—
Southern Bell Tel & Tel—																								
3s debentures 1979	89¼	92½	91	92	89½	89⅝	90	90⅞	91	92¼	92	93⅝	93¼	94⅛	91½	92	91½	91½	90	90½	84	84½	83¼	84¼
2¾s debentures 1985	84¾	86¾	85½	87¼	83	83¼	83¾	86½	85¼	86½	84⅛	85	81⅜	83½	78½	81	77	78½	77	78	77½	78	76½	78
2⅞s debentures 1987	—	—	—	—	85	85	—	—	86½	86½	—	—	—	—	—	—	—	—	—	—	78	79¼	—	—
Southern Calif Edison—																								
3¼s convertible debentures 1970	115⅜	121⅝	118¾	120½	120	127¾	125⅛	132¼	127	130⅛	128½	131½	127½	131¼	123½	132⅝	125½	130⅝	127¼	128¼	128½	137½	134	140
Southern Indiana Ry 1st m 2¾s 1994	55	57	57	58	57	59½	59½	59½	59½	60	60⅜	60⅜	60⅜	60⅝	60⅝	60⅝	60⅝	60⅝	61⅛	62	62¼	64½	64	64¼
Southern Natural Gas Co—																								
4½s conv debentures 1973	119	128	121½	128⅛	123¼	128	127¼	142	130½	140½	125	r133½	126¾	130¼	128¼	130¼	126⅞	129	128	136	130	136	133	141
Called bonds (Aug 25)	—	—	—	—	—	—	—	—	—	—	—	—	127½	130½	—	—	—	—	—	—	—	—	—	—
Southern Pacific Co—																								
1st 4½s (Oregon Lines) ser A 1977	93⅜	99	94¼	100½	94¼	95	94⅛	95¾	94¼	97	94½	98½	95½	98½	92	97⅛	91⅛	95	92⅞	95⅞	93⅛	95¼	94¼	97
Gold 4½s 1969	93⅛	96½	93⅛	97¼	93¾	95¾	93⅝	96⅝	96⅛	99½	97⅝	99⅞	98⅛	99¾	93	99½	93	96	94⅛	97⅛	94¼	96½	96⅜	99⅜
Gold 4½s 1981	86	89	87	91	86½	89¼	87	90½	89	92⅜	92	95⅜	93¼	95¼	88	93¾	88¾	90½	89⅝	91⅝	90	93	91¾	94
San Francisco Term 3⅜s ser A 1975	83½	83½	—	—	—	—	—	—	84¼	84½	—	—	—	—	84	84¼	84	84	84	84	—	—	84	84
Southern Pacific RR Co—																								
1st mtge 2⅞s series E 1986	68	71	71	71¼	71½	71½	71½	73½	72	72½	72¾	72⅞	71	71	—	—	67½	70	67	67½	69	69	68¼	68⅜
1st mtge 2¾s series F 1996	64	67¾	67	68	67	69	65	65⅞	65⅝	67½	65¾	66½	64	67¾	61¼	63⅛	61¼	63⅜	61¾	61¾	65	65	64½	65
1st mtge 2¼s series G 1961	94½	94½	94⅛	94¾	94¾	94¾	96¼	96¼	96¼	96¼	96¾	97⅛	96¼	96¼	—	—	96	96¼	96	96	96	96	96	97½
1st mtge 5¼s series H 1983	105½	107½	105	105⅛	104½	106	100½	104	103	104	104½	105¾	104½	105	104½	105⅛	104½	105¼	102	105	103⅞	106	—	—
Southern Ry 1st consolidated 5s 1994	107¼	114	113	114	109	113	107	110	107½	110¼	107	112	109	111	105	109¼	104	106	104	106¾	106½	108	107⅝	108⅛
1st mtge & coll tr 4½s 1988	—	—	—	—	—	—	—	—	—	—	—	—	—	—	101½	101½	—	—	—	—	99	99	99	99
Memphis Div 1st gold 5s 1996	—	—	99½	100½	100½	100½	103	103	—	—	104½	104½	103	103	100	102	97½	100¾	98½	98½	99⅛	99⅛	—	—
New Orleans & Northwestern RR joint 3¾s 1977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Southwestern Bell Tel 2¾s 1985	85	87¼	86½	87	85¾	86½	83	86½	86	86⅞	83½	84¾	81	84	79	80	75	76	76	78	77½	79	76⅝	79⅛
3⅛s debentures 1983	—	—	—	—	90	91	—	—	—	—	91	91	—	—	—	—	—	—	85	85	—	—	85	85
Spokane International 4½s 2013	86	86	88	88	91	93	93	95	—	—	93⅛	95	93	94	95	95	93¼	96	93	96½	—	—	—	—
Standard Coil Products Co—																								
5s conv subord debentures 1967	78⅝	89½	87	89	86	90	89	93½	90½	94½	92	93	93¼	99½	97	101	95	100	95¾	118	116	165	136½	160
Standard Oil of Calif 4⅜s debs 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	102	103¾	103	103¾	101⅛	103¾
Standard Oil Co (Indiana)—																								
3⅛s conv debs 1982	101½	106	104½	109	104½	109	106½	108½	107½	112¼	110⅛	113¼	108¼	114	107¼	111¼	107⅞	110½	110	116½	112	120½	113	116⅝
4½s debs 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	103¾	104⅝	104	104⅞	102	104¼
Standard Oil (N J) 2⅜s debs 1971	87½	89	88	89⅜	87½	88¾	88⅝	90⅝	90½	92	87¾	91½	87	89	83⅛	88	81⅝	83⅞	82⅝	85	83⅝	85	83	84¾
2¾s debentures 1974	90	90½	91	92½	89¾	91½	91⅞	93	92	93½	91	93	90½	91	86	89	83⅛	84½	84	85½	85½	86⅛	85¾	86¾
Standard Oil Co (Ohio)—																								
4¼s s f debentures 1982	107⅜	107½	107½	107½	107	107⅜	106¾	107	107¼	107¼	102	105¾	105	105¾	103	103	98¼	102	99	100½	100½	101	101	101
Stauffer Chem 3⅞s debentures 1973	101	101¼	100⅞	101½	101⅜	101¾	101½	102	102½	102¾	102⅞	103	102½	103	101	102½	99¼	99¼	98	99½	98½	98½	—	—
Sunray Oil 2⅞s debs 1966	94⅛	94⅛	—	—	—	—	—	—	—	—	97	97	96½	96½	95¼	96½	—	—	—	—	—	—	91⅜	91½
Superior Oil Co 3¾s debentures 1981	97	99	98⅜	98⅞	97½	98¾	98	99⅛	98½	99⅛	99⅛	100	97	100	93	95½	93	93	91¾	93¼	91⅞	94	92⅝	93⅜
Surface Transit Inc 1st mtge 6s 1971	81⅛	83½	83½	86	86	88	88½	90½	87½	89⅞	87	88	87½	89⅛	85¾	87	86⅛	87	85¾	86¾	85¾	88	87	90
Swift & Co 2⅝s debentures 1972	85½	85½	85½	90⅞	86	86	87	88	88	90½	89½	89½	—	—	89⅝	89⅝	85	87	85½	85½	—	—	85	85
2⅞s debentures 1973	—	—	—	—	—	—	94½	94½	95	95½	—	—	—	—	97	97⅛	—	—	—	—	—	—	90½	90½
Sylvania Electric Product—																								
4½ conv subord debs 1983	—	—	—	—	—	—	—	—	104¼	107	104¾	107¾	105	109¾	108	110¼	109	116½	116	126¾	125	138	130	147
T																								
Terminal Assn of St Louis—																								
Ref & Improvement 4s series C 2019	88⅜	90	90	90	89⅛	89⅛	89½	90	89¾	90	89¾	89¾	90⅛	90⅛	—	—	—	—	85	85	86	88	—	—
Ref improvement 2⅞s series D 1985	87½	87½	86	86	85	85	85	85	84	84	84	84	84	84	—	—	84	85	84	84	84	84	84	84
Texas Co 3⅝s 1983	—	—	—	—	—	—	—	—	—	—	97¾	99⅝	95¼	98⅞	92¼	96½	90⅞	93¼	91	93½	92½	94½	91⅛	93¾
Texas Corp 3s 1965	98¾	100⅛	98⅜	100	98½	99⅝	99	101	98¾	101	100⅜	101⅛	99⅛	101¼	97	99½	94	97½	94⅝	98⅜	97	98¾	94	97⅞
Texas New Orleans 3¼s series B 1970	85	85	—	—	83	83	83	83¾	84⅛	85	85	86	85⅛	85¼	85	85	84½	85	84½	84¾	84¾	85	84¾	85
3⅜s series C 1990	74⅝	76	75	76½	72	73	72½	73	72	72½	72	72⅝	72⅝	72⅝	72	73⅛	72½	73	73	73	72¾	72¾	73	74½
Texas & Pacific 1st gold 5s 2000	110½	110½	110	110	110	110	108½	110	109	109	109	109½	110	111	108	110	—	—	104½	105½	105⅝	105⅝	105⅝	106
Gen & ref mtge 3⅞s series E 1985	86½	87	85½	86¼	85	86⅛	82	85	82	84	83½	86	84¾	86⅜	83	83	80	80	78	80⅛	80⅛	82½	82	84½
Texas Pac-Mo Pac Ter 3⅝s 1974	—	—	—	—	77	77	77⅜	77⅜	81	81	—	—	—	—	85⅛	85⅛	—	—	89	89	88	89	88	88¼
Thompson Products Inc—																								
4⅞s subord debentures 1982	109	113¾	106¾	112	106¾	109	108⅜	110	108⅜	111	109½	113⅜	113½	118	113⅞	118¼	111½	117½	113	118	117½	121	117⅞	125
Tide Water Associated Oil Corp—																								
3½s sinking fund debentures 1986	93½	97	93⅛	94	93	94⅜	92	92½	94	94	—	—	90	93	—	—	85	85	86½	86½	83⅝	86	83	83
Toledo & Ohio Central 3¾s 1960	94	94	94½	94½	92½	92½	92½	92½	88	88	89	90	91½	94½	92½	92½	93¾	94	94¼	94¼	94⅝	95	95⅜	96⅛
Tri-Continental Corp 2⅞s 1961	95½	95¾	—	—	97¼	97¼	98	98	98	99⅛	—	—	99	99	—	—	94	97½	95½	96½	95⅛	95¼	96	96
U																								
Union Electric of Missouri 3⅜s 1971	98⅞	101½	99⅛	100	97⅞	99	99	100½	99½	100½	99½	100⅞	98⅛	100⅝	96	98⅛	94	95	93	94⅛	94⅛	95	95⅛	96
1st mtge & coll trust 2¾s 1975	89	90	89¼	89¼	87¼	87¼	89	89	88	88	89	89	—	—	84½	84½	80	80½	81⅝	81⅝	81½	81½	82	82
3s debentures 1968	92½	92⅝	93	93½	—	—	—	—	93¾	93⅞	93¾	93¾	—	—	93¾	93¾	—	—	90	92	—	—	92	92
1st mtge & coll trust 2⅞s 1980	—	—	—	—	—	—	86	86⅝	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge & coll trust 3¼s 1982	91¾	94	90¼	94¼	93	93	93	93	92	93¾	93¼	93¾	93	93	—	—	—	—	84	84¾	83¾	85½	84½	86½
Union Oil (Cal) 2¾s debentures 1970	90¾	90¾	90¾	91¼	92	92½	92½	93	93	93	92⅛	93¼	93¼	93¼	—	—	85½	85½	84	84	84	84	84¾	85
Union Pacific RR—																								
2⅞s debentures 1976	84¼	87½	86¼	87½	86¼	86¼	88	89	88	88¾	88¾	90	88¾	88¾	84⅛	84⅛	81½	81½	84	84	84	84	84	87
2½s series C 1991	77½	80½	79	79¾	77¾	79	75⅜	80	77½	80	78¾	80	77¾	80	75	78¼	70	72½	71½	73	72	75	72	72¾
Union Tank Car 4½s s f debs 1973	—	—	—	—	—	—	101	102	101	102	101½	103¾	102	102¾	101¼	102	99¾	99¾	98½	99¾	98½	98½	99⅛	100½
United Artists Corp—																								
6s conv subord debentures 1969	83¼	94	92½	97	93	100¾	97⅝	111	104½	110¾	105¾	113⅜	106	110⅛	109	114¼	107½	115	110⅞	126½	118	124	119	129
United Biscuit 2¾s debentures 1966	—	—	90	90	91	91	95	95	95	96½	95	95½	95	95½	95	95	95	95	91⅜	95	—	—	—	—
3⅜s debentures 1977	92½	92½	—	—	—	—	—	—	92½	92½	—	—	—	—	89	89	—	—	—	—	—	—	86	86
United Gas Corp 2¾s 1970	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	81	81
1st mtge & coll trust 3⅝s 1971	96	97¾	96⅜	98¼	97	97	97¼	99¼	99⅛	99⅝	89	100½	99¼	100½	90¼	96⅜	91	91	90¾	92½	92	93	91	93⅛
1st mortgage & coll tr 3½s 1972	94⅝	95	94	96⅞	95⅞	98⅛	98	99	97⅞	98¼	99	101⅛	99½	101	99	99½	90½	92	87⅞	92	91	92	89½	91⅝
1st mtge & coll trust 3⅜s 1975	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4⅜s s f debs 1972	102⅛	103¼	100¾	103	101¼	102	100	102½	102	102¾	100	101⅜	100¾	101¼	97¾	100¾	97¾	100¾	97	97¾	94½	96½	93½	96⅛
3¾s s f debentures 1973	—	—	—	—	—	—	—	—	—	—	95	95	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge & coll tr 4½s 1977	105½	106½	106½	106½	104⅜	106½	103¼	105	103¾	104½	104½	104¾	104¾	104⅞	101	104⅝	101	104⅝	100¾	100¾	99	100½	100½	101¼
1st mtge & coll tr 4¼s 1978	—	—	—	—	—	—	—	—	—	—	104	104½	102¼	104½	100½	102⅞	98¼	99¾	97¾	99⅝	99¼	101	99	101
4⅝s sink fd debentures 1978	—	—	—	—	—	—	—	—	—	—	—	—	100⅜	101⅜	98¾	101¾	98	99¾	98¾	101½	99⅞	101¾	99	100¼
U S Rubber 2⅝s debentures 1976	82½	83½	84¼	84¼	86⅝	87	84	84¾	88	90	90½	90½	—	—	—	—	—	—	85	85	80⅛	80⅛	81⅛	81½
2⅝s debentures 1967	—	—	—	—	—	—	—	—	93⅝	93⅝	93½	93½	—	—	—	—	—	—	—	—	—	—	—	—
United States Steel Corp—																								
4s sink fund debs 1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	97	102⅜	95⅝	99½	97½	99⅜	99	100	97¾	99⅞

NOTE: All bond footnotes shown on page 28

1958 — NEW YORK STOCK EXCHANGE BOND RECORD — 1958

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
United Steel Works Corp—																								
6½s sinking fund deb series A 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¼s assented 1947	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6½s sinking fund mtge series A 1951	—	—	195	195	—	—	—	—	—	—	—	—	—	—	202	202	202	202	—	—	—	—	—	—
3¼s assented 1951	—	—	—	—	—	—	172½	172½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6½s sinking fund mtge ser C 1951	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3¼s assented 1951	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Participating certificates 4⅞s 1968	88	88½	90	92¼	89⅜	90	88½	89⅞	90	90¾	90	92¼	92⅜	92⅞	92⅜	94	92⅜	94	94½	95¾	93¼	95¼	91⅛	92¾
Vanadium Corp of America 3⅛s 1969	97	97¾	—	—	—	—	—	—	105	105	—	—	106½	114	—	—	—	—	112	112	111	111	111	111
4¼s conv subord debentures 1976	83½	96½	93	98	89	94¼	89	94	93	97	94¾	99¾	95½	98¼	97½	99	97½	99	94	98	98	103½	102	109
Virginia Elec & Power—																								
1st & ref mtge 2¾s series E 1975	87⅞	90¼	90¼	90⅝	88	90⅝	88	90¾	88½	91½	89¼	90	87	88	—	—	—	—	82	82	82¾	83⅞	82	83¼
1st & refunding 3s series F 1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	83⅛	83⅛	—	—
1st ref mtge 2⅞s ser G 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st ref mtge 2¾s ser H 1980	—	—	—	—	84	84	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st ref mtge 3⅜s series I 1981	—	—	99	99	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	84	85½	85	85⅞
1st ref mtge 3¼s series J 1982	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	84½	86	85	85
Virginia & Southwest 1st gtd 5s 2003	99	99	—	—	99	99	—	—	—	—	100	100⅛	100	100	—	—	—	—	—	—	97	97	97	97
1st consolidated 5s 1958	99½	100	99⅞	99⅞	99⅞	99⅞	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Virginian Ry 3s series B 1995	83	86	86	86	86	86¼	86	86¼	86	86¼	86	86½	84	85¼	84½	85	84½	85	84	84	82	83¼	83⅛	83½
1st lien & ref M 3¼s ser C 1973	—	—	—	—	—	—	—	—	90⅛	90⅛	—	—	90⅛	90⅛	91¼	91¼	94¼	94¼	—	—	—	—	—	—
4s series F 1983	—	—	—	—	—	—	—	—	—	—	—	—	99	100	99	99	—	—	—	—	100½	100½	—	—
6s subord income debentures 2008	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	111½	114
Wabash RR—																								
General mortgage 4s series A 1981	64	64	65½	66	62	64	63¼	64½	66¼	66⅜	64¾	67⅛	64	65	65⅛	68	64¾	65⅛	66	68¼	66	67½	71	71⅛
General mortgage 4¼s ser B 1991	65½	66	65	65	65	67	64	66½	65½	67	64½	69¾	64	65	64½	65½	65½	67	64	67	66	67	69	70
1st mtge 3¼s series B 1971	76	76	76	78	78	78	80⅛	80¼	80	81⅞	81½	82¼	81½	81½	81½	81½	81½	81½	80	80½	80	80	80½	80½
Warren RR 1st & ref gtd 3½s 2000	50	50	—	—	—	—	50	53⅞	53½	53½	51	51	51	51	50	50	50¼	50¼	50¼	50¼	—	—	50	50
Washington Terminal 2⅝s ser A 1970	—	—	—	—	—	—	—	—	—	—	—	—	—	—	81	81	—	—	—	—	—	—	80	80
Westchester Lighting 3½s 1967	99¾	101	100½	102¾	100½	102	101⅝	102⅜	102	102¾	101	102	100¾	102	98¾	100¾	99	100	97¼	98½	97⅝	98⅛	96½	97¼
Gen mtge 3s gtd 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
West Penn Electric 3½s 1974	—	—	91	91	—	—	—	—	93⅛	93⅛	93⅛	93⅛	93⅛	93⅜	—	—	—	—	89	91	91	91	—	—
West Penn Power 3½s series I 1966	99½	102¾	101½	102¾	101	102¼	101½	102½	102¼	103	102	103	101½	102¾	99½	101⅜	99½	100¼	97⅞	100	97½	98½	97½	99½
West Shore 1st 4s guaranteed 2361	52	57	52	54	48	51	48	53	48⅛	51	50	53¼	50¼	53⅜	51½	54½	52	57	54	56½	54½	58	54⅛	58
4s registered 2361	50½	56½	52	54	47⅞	51½	46⅛	53¼	47⅛	50	48⅞	52	50	52	51½	54	51⅝	56½	53⅝	55¾	54½	57½	54¾	57⅞
Western Maryland Ry Co—																								
4s series A 1969	92⅛	96⅜	96¼	97	93⅞	97½	94	97	96½	97½	97	99¾	98½	100½	98½	100	96¾	99	96¾	97⅝	96¼	97¾	96¼	97
1st mortgage 3½s series C 1979	90	90	—	—	—	—	—	—	—	—	91¾	91¾	—	—	—	—	—	—	91¼	91¼	91	91	91	91
5½s debentures 1982	100¼	102	102¾	103	103	103¼	102¼	103	102¾	103	103⅜	104	—	—	102¾	104½	100	104	100⅛	104½	104¾	104¾	104½	105½
Western Pacific RR 3⅛s ser A 1981	—	—	—	—	78	78	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5s inc debentures 1984	88	88	87½	88	84	84⅝	84	89	86	90	87¾	89⅛	90⅜	90⅜	90⅜	91	91⅞	95¾	94⅛	95	95	95⅜	95	96
Westinghouse Electric 2⅝s 1971	—	—	87	89	87	87½	—	—	—	—	91	92	—	—	90	90	90	90	88	88	—	—	—	—
Westphalia United Electric Power—																								
1st mortgage 6s 1958	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Wheeling & Lake Erie RR—																								
General ref M 2¾s 1992	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Wheeling Steel 1st series 3¼s C 1970	95	96	92	94	90½	92½	90	91½	91¼	93½	93½	96½	94⅝	96⅝	94¾	94⅞	92½	92½	90	91	90	91	89¾	90⅛
1st mortgage 3¼s series D 1967	92	92	94	94	94½	95	94	94	94	94	—	—	97	97	97	97	—	—	93	93	93¼	93¼	92	92¼
3¾s conv debentures 1975	88	95½	92½	95¼	92½	94¾	91¼	93½	92½	94¾	93¾	97	94½	99	96⅝	99½	98	104⅜	103	108	103	107½	103⅝	110⅝
Whirlpool Corp—																								
3½s sinking fund debentures 1980	—	—	91	91	91⅜	91⅜	91	92½	—	—	92½	92½	92½	92½	—	—	—	—	81	81	—	—	81	81
Wilson & Co 3s 1958	99¼	99⅜	99½	99⅜	99⅝	99½	—	—	—	—	—	—	—	—	98¾	99⅜	98½	99	97½	98	96½	98	98	98
Winston-Salem S B 1st 4s 1960	99½	100¾	—	—	100⅝	100⅝	101	101	—	—	—	—	101	101	—	—	—	—	—	—	99	99	99	99
Wisconsin Central RR Co—																								
1st mortgage 4s series A 2004	56½	64¾	60	61⅛	56½	59	58	61	58	62	62¼	63½	58⅝	63	60	61¾	58¾	60	59⅞	64	63½	65	63½	65
1st gen mtge inc 4½s series A 2029	62	66	—	—	—	—	53	62	40	56	42	45	43	44½	44	45	44	45	46⅛	52	51	52	52⅞	55
Wisconsin Electric Power 2⅝s 1976	—	—	86	86	—	—	83	83	83½	84¾	84¼	84¼	—	—	—	—	—	—	—	—	—	—	79	79
First mortgage 2⅞s 1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Wisconsin Public Service 3¼s 1971	94½	94½	94½	94½	94⅝	95⅛	95½	96	97½	98	97½	97½	96½	97½	91	94	88	88	88½	90	90	91½	94½	94½
Yonkers Electric Light & Power—																								
2⅝s 1976	—	—	—	—	—	—	—	—	82	82	—	—	—	—	—	—	—	—	—	—	76½	76½	—	—

a Deferred delivery sale. t Odd-lot sale. r Cash sale. x Sold Ex-interest.